

News Release

FOR IMMEDIATE RELEASE

Hitachi Capital, Hitachi Asia, and SANTEC Begin Collaboration to Drive Solar Power Generation Business in Thailand

Contribute to Installing Commercial Renewable Energy Systems

Tokyo, December 25, 2020 --- Hitachi Capital (Thailand) Co., Ltd. (President: Tomoki Ariizumi, "HCT"), a subsidiary of Hitachi Capital Corporation (TSE:8586, President & CEO: Seiji Kawabe, "Hitachi Capital"), Hitachi Asia (Thailand) Co., Ltd. (Managing Director: Yoshihiro Sugeta, "Hitachi Asia (Thailand)"), a subsidiary of Hitachi, Ltd. (TSE:6501, President & CEO: Toshiaki Higashihara), and SANTEC POWER SOLUTIONS CO.,LTD.(Director: Masamichi Imoto, "SANTEC") entered into Memorandum of Understanding ("MOU") today.

Three companies will encourage installation of the commercial solar self-consumption equipment within Hitachi Group in Kingdom of Thailand ("Thailand"), based on MOU. As the first move of three companies' collaboration, it is planned to install the solar self-consumption equipment on Gateway factory roof (Chachoengsao, Thailand) of Hitachi Automotive Systems Asia, Ltd., and will start its power generation from the end of March 2021. Furthermore, it will expand its business to Japanese and local companies in Thailand in the medium to long term.

In recent years, in light of the growing global climate change problem, there is a growing movement toward virtually zero greenhouse-gas emissions in order to realize a decarbonization society. In Thailand, the power development plan aims 33% of renewables share in the total power generation capacity in 2037. On the other hand, the needs of reducing carbon dioxide (CO₂) emissions in business activities by self-consuming renewable energy such as solar power generation are increasing.

With this collaboration, HCT, Hitachi Asia (Thailand) and SANTEC will pursue installation of solar self-consumption equipment within Hitachi Group in Thailand. The customer is able to install renewable energy without its initial investment and will make payment according to the solar power generation amount. Those three companies aim to achieve 10MW of power generation capacity by 2023.

HCT, as a power producer, will enter into Power Purchase Agreement ("PPA") with a customer, and install solar self-consumption equipment including panels on the roof of commercial office or factory, as well as sell all electric powers generated.

Hitachi Asia (Thailand), as a project leader, will take the lead in project management and supply the Advance Solar String Inverter and Energy Management System, so as to attain the objective of a smart, sustainable society powered by green energy.

SANTEC offers one stop services - design, procurement, construction and maintenance, as a construction and maintenance contractor. SANTEC is a subsidiary of SANKO Group which has a large track record of solar power and industrial plant business internationally. SANTEC will provide trouble-free and high quality construction and maintenance by making use of its group's knowledge and experience.

-more-

Hitachi Capital Group has been developing and operating its solar and wind powers, as well as, installing the solar self-consumption equipment at a company aiming to decarbonize with PPA, in Japan. This is the first time for Hitachi Capital Group to enter the solar self-consumption solutions in overseas. Taking this opportunity in Thailand, Hitachi Capital Group will accelerate its solar self-consumption solutions globally and contribute to building decarbonization society.

Hitachi Asia (Thailand)'s role is to develop and expand Hitachi group's business in Thailand. Solar Power Generation will be a part of its solutions to extend our social innovation business.

SANTEC has been offering its solar power solutions since 2018, and, will contribute to the society as a member of this collaboration in Thailand where is expected to be increasingly developed renewable energy business moving forward.

HCT, Hitachi Asia (Thailand) and SANTEC will contribute to solving customers' issue through pursuing the solar self-consumption solutions and realizing the decarbonization society in Thailand by expanding this business to all over the country.

■ About Hitachi Capital Group

Hitachi Capital Group globally aims at both solving social issues and its continued growth based on SDGs, as "Social Values Creating Company". In its "FY2019-FY2021 Mid-Term Management Plan", Hitachi Capital Group positions "Environment/Energy", "Mobility", "Life" and "Sales Finance" as a key business, and pursue its development of new businesses to solve issues faced by companies and local communities while evolving into the new values which are enhancement of collaboration with partners, shift to services and commercialization, as well as, their combined business beyond finance field. Please access Hitachi Capital and HCT website for the details.

<https://www.hitachi-capital.co.jp/hcc/english/index.html>

<http://www.hitachi-capital.co.th/>

■ About Hitachi Asia (Thailand) Co., Ltd.

Incorporated in 1992, Hitachi Asia (Thailand) Co., Ltd. provides expert solutions in meeting the needs of customers in Thailand, Laos and Cambodia. Hitachi Asia (Thailand) is focusing on the business areas of Smart Cities, Smart Manufacturing and Smart Public Services, with the aim of contributing to the community as a responsible corporate citizen.

■ About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is focused on its Social Innovation Business that combines information technology (IT), operational technology (OT) and products. The company's consolidated revenues for fiscal year 2019 (ended March 31, 2020) totaled 8,767.2 billion yen (\$80.4 billion), and it employed approximately 301,000 people worldwide. Hitachi drives digital innovation across five sectors – Mobility, Smart Life, Industry, Energy and IT – through Lumada, Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation. Its purpose is to deliver solutions that increase social, environmental and economic value for its customers. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

■ About SANTEC POWER SOLUTIONS CO., LTD

SANTEC is a joint venture of SANKO CONTROLS CO., LTD., SANKO INDUSTRIAL SOLUTIONS CO., LTD., and Hitachi Power Solutions Co., Ltd. SANTEC has been offering services of electricity/instrumentation/control equipment and construction of solar power generation with the technical support from Sanko Group and Hitachi Power Solutions. SANTEC will continuously pursue its business aiming at harmony of its quality, environment and safety.

■ Contact information

Hitachi Capital Corporation
Strategic Management Division, Corporate Planning Department
3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003
TEL +81-3-3503-2118 (Main)

Hitachi Asia (Thailand) Co., Ltd.
12th Floor, Ramaland Bldg., No. 952, Rama IV Road, Suriyawongse, Bangrak,
Bangkok 10500 Thailand
TEL +66-2632-9292 (Office)

###

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.
