

Hitachi Energy and E.ON sign deal worth up to \$700 million USD for critical grid infrastructure to bolster energy security and resilience in Germany

- World's largest transformer manufacturer partners with E.ON in a long-term agreement to deliver power and distribution transformers to meet accelerating demand
- One of the largest ever deals for Hitachi Energy in Germany secures capacity to expand and modernize grid infrastructure
- Announcement comes as new German government announces €500 billion fund to strengthen infrastructure, with a major focus on energy

Berlin and Zurich, July 28, 2025 - Hitachi Energy, a global leader in electrification, today announces a new deal worth up to \$700 million USD with E.ON to deliver transformers across the German energy grid to bolster energy security, resilience and affordability in the country. The deal is part of a new procurement initiative by E.ON for core grid expansion components. As part of the long-term agreement, Hitachi Energy will leverage its footprint, investments, and partnerships to reserve capacity and lead industry efforts to address the global shortage in transformers, a critical component of power grid infrastructure.

The project follows the recent German government elections, in which energy prices and reliability were a key concern among voters. More than 70 percent of Germans cited rising living costs as their main concern, with energy prices at the forefront of this worry¹.

Transformers are crucial to enable the efficient transmission and distribution of electricity. There is currently a major global shortage and Hitachi Energy is executing the largest investment plan in the global industry with \$9 billion USD to scale up manufacturing capacity across the world. Germany is integral to the program, having recently announced the expansion of its transformer factory in Bad Honnef. The company holds deep roots in Germany, employing over 2,000 people across eight locations, including three key manufacturing sites in Bad Honnef, Brilon and Roigheim.

The Bundesnetzagentur, and other German utilities and grid operators, urgently need transformers to prevent a delay in grid connections, blocks to new routing, and threats to ambitious expansion plans designed to support clean power and electrification². As part of the framework agreement with E.ON Hitachi Energy will deliver a considerable part of the transformers by reserving manufacturing capacity to support the accelerated expansion and modernization of the German power grid.

"The growing importance of power grids demands bold investments and breakthrough innovations to shape the energy systems of the future," said Andreas Schierenbeck, CEO of Hitachi Energy. "Our expansion goes beyond business—it reflects our responsibility as a global leader to accelerate capacity and deliver the critical equipment our customers urgently need. Strategic partnerships like this one empower TSOs, utilities, and industry to build a more sustainable, secure, resilient, and affordable energy system for Germany."

Hitachi Energy is the world leader in transformers, with over two million distribution transformers and tens of thousands of other transformers deployed worldwide. In high-voltage technology, one in every four high-voltage switchgear units in operation is from Hitachi Energy.

As the inventor and market leader in high-voltage direct current (HVDC) technology, Hitachi Energy has integrated more than 150 GW of capacity - enough to power two-thirds of Europe's

households. The company is also the top supplier for offshore wind grid systems, connecting over 54 GW to the grid through our centers of excellence in Germany and Sweden. Its grid automation solutions support 50 percent of the world's top 250 utilities.

1 https://www.reuters.com/world/europe/germans-worried-about-economic-malaise-ahead-election-survey-2025-02-10/?utm_source=chatgpt.com

2 https://www.bundesnetzagentur.de/SharedDocs/Downloads/EN/Areas/ElectricityGas/FlexibilityPaper_EN.pdf?__blob=publicationFile&v=1

About Hitachi Energy

Hitachi Energy is a global technology leader in electrification, powering a sustainable energy future with innovative power grid technologies with digital at the core. Over three billion people depend on our technologies to power their daily lives. With over a century in pioneering mission-critical technologies like high-voltage, transformers, automation, and power electronics, we are addressing the most urgent energy challenge of our time – balancing soaring electricity demand, while decarbonizing the power system. With an unparalleled installed base in over 140 countries, we co-create and build long-term partnerships across the utility, industry, transportation, data centers, and infrastructure sectors. Headquartered in Switzerland, we employ over 50,000 people in 60 countries and generate revenues of around \$16 billion USD.

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About Hitachi, Ltd.

Through its Social Innovation Business (SIB) that brings together IT, OT (Operational Technology) and products, Hitachi contributes to a harmonized society where the environment, wellbeing, and economic growth are in balance. Hitachi operates globally in four sectors – Digital Systems & Services, Energy, Mobility, and Connective Industries – and the Strategic SIB Business Unit for new growth businesses. With Lumada at its core, Hitachi generates value from integrating data, technology and domain knowledge to solve customer and social challenges. Revenues for FY2024 (ended March 31, 2025) totaled 9,783.3 billion yen, with 618 consolidated subsidiaries and approximately 280,000 employees worldwide. Visit us at <https://www.hitachi.com>.

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.
