

## **Hitachi completes capital reorganization of air conditioning joint venture accelerating the deployment of green cooling solutions through “One Hitachi”**

**Tokyo, August 1, 2025** Hitachi, Ltd. (TSE:6501, “Hitachi”) and, its subsidiary, Hitachi Global Life Solutions, Inc. (“Hitachi GLS”), announced that they have completed the capital reorganization of their air conditioning joint venture, based on the agreement signed on July 23, 2024<sup>\*1</sup>. Under this reorganization, Hitachi GLS transferred all of its shares in Johnson Controls-Hitachi Air Conditioning Holding (UK) Ltd. (“JCH”), a joint venture with Johnson Controls International plc (“JCI”), to Robert Bosch GmbH (“Bosch”)<sup>\*2</sup>, and has completed the acquisition of the Shimizu Factory, which had been owned by JCH and served as its development and production base for commercial air conditioning equipment in Japan<sup>\*3</sup>.

Going forward, Hitachi GLS will accelerate a global expansion of Hitachi-branded air conditioning products through Bosch Home Comfort Group (“Bosch HC”), Bosch’s HVAC<sup>\*4</sup> business unit. Meanwhile, Hitachi will utilize its domain knowledge acquired through the Shimizu Factory to further strengthen its “Lumada 3.0” green cooling solutions through “One Hitachi” by combining the large installed base of HVAC units, AI, and digital capabilities to accelerate the expansion into growing markets such as green buildings and data centers. This will contribute to the realization of a harmonized society where environment, wellbeing, and economic growth are in balance, as envisioned in Inspire 2027, Hitachi Group’s new management plan.

### **Aim of the Hitachi Group**

#### **1. Strengthening the Global Expansion of Hitachi-branded Air Conditioning Products, and an Expansion of the Partnership with Bosch**

Under a brand license agreement with Bosch HC, Hitachi GLS will accelerate global expansion by utilizing Bosch’s global footprint centered in Europe and promoting sales of highly-competitive, Hitachi-branded residential air conditioning products in the residential and light commercial HVAC markets in the US and Asia. Also, further expansion of the partnership with Bosch will be achieved by incorporating Lumada solutions in products.

#### **2. Collaborating as One Hitachi to Accelerate the Deployment of Green Cooling Solutions in Growth Markets**

With the acquisition of the Shimizu Factory, with its high technological capabilities, Hitachi GLS will integrate the development, manufacturing, sales, and maintenance services for the commercial air conditioning business in Japan to develop competitive products tailored to market needs. Also, Hitachi GLS will further enhance its Lumada solutions, such as “exiida<sup>\*5</sup>”, which leverages data from the large installed-base of HVAC units and AI to support the stable operation of air-conditioning units.

Hitachi will expand green cooling solutions that combine its extensive installed base of mission-critical products with AI-enabled digital services as use cases of “HMAX for Industry” in growing industrial markets such as green buildings, biopharma, food, and semiconductor manufacturing facilities. In addition, Hitachi will accelerate the “One Hitachi” total solutions including air conditioning and cooling technologies in data centers, designated by the Strategic SIB<sup>\*6</sup> Business Unit as a strategic business area.

To ensure continued distribution of “Shirokumakun”<sup>\*7</sup> series residential air conditioning products for the Japanese market, the Tochigi Factory<sup>\*8</sup> of JCH which was acquired by Bosch HC in the transaction, will retain development and manufacturing operations, while Hitachi GLS will remain responsible for sales and aftermarket services.

The purchase price of the 40% stake in JCH held by Hitachi GLS is approximately USD 1.46 billion (approximately JPY 211 billion<sup>\*9</sup>). As a result, Hitachi plans to record business reorganization income, etc. of approximately JPY 154 billion as other income, etc. in its consolidated financial statements for the fiscal year ending March 2026. Please note that the final purchase price will be determined separately after accounting for all necessary adjustments. Hitachi will utilize the proceeds from this share transfer for its growth investments and shareholder returns, aiming to enhance its capital efficiency and further increase corporate value.

**Comments from Brice Koch —Executive Vice President and Executive Officer, Head of Connective Industries Business of Hitachi, Ltd.**

We are very pleased to have completed this capital reorganization which will further accelerate the growth of our HVAC business. Under Inspire 2027, Hitachi’s new Management Plan, we are committed to realize a harmonized society, where environment, wellbeing and economic growth are in balance.

We aim to drive global expansion of business, as we promote “Lumada 3.0” digital services as “HMAX for Industry” with “One Hitachi”, leveraging our AI capabilities, as well as large installed-base of mission-critical products including industrial HVAC units.

**Comments from Noriharu Amiya — Senior Vice President and Executive Officer, COO of Connective Industries, CEO of Urban Systems Business Unit of Hitachi, Ltd. / Chairman of Hitachi Building Systems Co., Ltd.**

We will strengthen collaboration between our building systems and air conditioning businesses to expand the value of green cooling solutions into mission-critical areas such as green data centers, biopharmaceutical facilities requiring extremely high air quality, and manufacturing facilities for food and semiconductors, thereby achieving further growth.

Leveraging Hitachi’s strengths in IT, OT (operational technology), and products, we will expand value through the building IoT solutions including the air conditioning IoT solution “exiida” and the building IoT solution “BuilMirai”<sup>\*10</sup>, accelerating the deployment of green cooling solutions with “One Hitachi”.

Through these initiatives, we will provide new value to “people, buildings, and society” and contribute to the realization of a harmonized society.

**Comments from Hideki Osumi— President of Hitachi Global Life Solutions, Inc.**

We are filled with excitement about taking on new challenges together with our new colleagues from the Shimizu Factory and striving for sustainable growth as the new Hitachi GLS.

Hitachi GLS and Bosch will strengthen their partnership and promote the global expansion of Hitachi-branded air conditioning products. In the commercial air conditioning business in Japan, where a new business structure has been established, we will provide high value-added solutions tailored to market needs and contribute to the realization of a sustainable society by reducing environmental impact and improving energy efficiency. We would like to express our deepest gratitude to all those involved in the completion of this reorganization.

<sup>\*1</sup> Please see the news release “Hitachi to Announce Capital Reorganization of Air Conditioning Joint Venture” issued on July 23, 2024. (<https://www.hitachi.com/New/cnews/month/2024/07/240723.html>)

- \*2 Hitachi GLS and JCI, which held 40% and 60% of JCH shares respectively, sold their entire stake to Bosch, which now owns 100% of JCH.
- \*3 On April 1, 2025, through a company split, the business of the Shimizu Factory was transferred from Hitachi-Johnson Controls Air Conditioning, Inc. (the Japanese subsidiary of JCH) to a newly established company, Hitachi Air Conditioning Shimizu, Inc., which will be merged with Hitachi GLS later this year.
- \*4 HVAC stands for Heating, Ventilation, and Air Conditioning.
- \*5 “exiida” is a registered trademark of Hitachi Global Life Solutions, Inc. in Japan.
- \*6 Social Innovation Business
- \*7 “Shirokumakun” is a registered trademark of Hitachi-Johnson Controls Air Conditioning Inc. in Japan.
- \*8 Hitachi-Johnson Controls Air Conditioning, Inc Tochigi Factory, a Japanese subsidiary of JCH. The company’s name is scheduled to change in the future.
- \*9 Exchange rate used is USD 1.00 = JPY 144.
- \*10 “BuilMirai” is a registered trademark of Hitachi, Ltd.

#### **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 [www.hitachi.com](http://www.hitachi.com)

#### **About Hitachi Global Life Solutions, Inc.**

Hitachi Global Life Solutions, Inc. operates under the purpose:

"To bring a smile to the life of each individual. To create a future that is kind to people and society. We will bring happiness to the world through innovations that open up the future."

Hitachi GLS provides home appliances, air conditioning equipment, facility systems, as well as engineering and maintenance services. Hitachi GLS is focused on the Lumada business, which creates value from data generated by its footprint and products. Through “One Hitachi”, Hitachi GLS contributes to realizing both Work Transformation and Green Transformation. Visit us at [corp.hitachi-gls.co.jp](http://corp.hitachi-gls.co.jp)

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