

# News Release

**FOR IMMEDIATE RELEASE**

## **Hitachi Promotes ASEAN Business Strategy at Board of Directors Meeting in Singapore**

Aiming for Business of 700 billion yen

**Singapore, 13 December 2017** – Hitachi, Ltd. (TSE: 6501, Hitachi) announced today that it held its Board of Directors Meeting in the Republic of Singapore where Hitachi's headquarters for the ASEAN region is located. This is Hitachi's first Board of Directors Meeting in the ASEAN region, and the fifth outside of Japan. Under the 2018 Mid-term Management Plan, Hitachi aims to become "an Innovation Partner for the IoT Era" by focusing on expanding Social Innovation Business globally. Discussion at the meeting centered on Hitachi's growth strategy from 2018 onwards and includes means of harnessing the growth potential of the ASEAN region, which is expected to drive the world economy in future.

In the ASEAN region, as momentum in the regional economy accelerates with integration of the market through various partnerships including the Trans-Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP), other various plans for the region including strategies relating to Infrastructure Export and Economic Corporation of the Japanese government, and the One Belt, One Road initiative of the Chinese government continue to raise growth expectations. In addition, Singapore and Malaysia, aiming to take the lead in introducing groundbreaking technologies and to forge ahead with nonstop industry innovations, announced their adoption of a regulatory sandbox. With a burgeoning market underpinned by a population of over 600 million people and the most advanced expertise as reflected in the wisdom of FinTech, ASEAN is a region brimming with untapped potential.

ASEAN is a key region in Hitachi's global strategy. Since establishing the Singapore office in 1963, Hitachi has engaged in a wide range of enterprises and projects over the past 54 years. During this period, businesses in the region has grown to approximately 500 billion yen at present. In addition to receiving orders for major projects in 2016 including the Red Line Mass Transit System Project in Thailand, and the Proton Therapy System for the National Cancer Centre Singapore, Hitachi has been playing an active role in a wide range of social innovation projects to realize

a smart, peaceful, safe, and comfortable society in recent years. Among these are an electricity distribution system which incorporates a gas-blast load-break switch that contributes to electric power network stability, elevators to support urbanization, and security systems. In Vietnam, Hitachi participated in a joint cashless settlement project and is strengthening its approaches through cooperation with local stakeholders, including an agreement to cooperate with the EEC Development Policy Committee to establish an IoT engineering center which will contribute to the Eastern Economic Corridor (EEC) project in Thailand.

Bearing in mind this market environment, Hitachi's performance to date and the application of Hitachi's IoT technology, the Board of Directors discussed the ASEAN regional strategy focusing on the following four core businesses: (1) urban infrastructure to contribute to urban development, (2) digital infrastructure to contribute to social stability by enhancing efficiency and transparency of government administration, (3) enhancement of manufacturing and logistics efficiency to realize an advanced streamlined cross-border supply chain unique to the ASEAN region, and (4) a service platform that will bring about QoL improvement in people's lives by linking B-to-C companies with the aim of expanding the customer base and the middle class which requires high-quality services. Through its commitment to these core businesses, Hitachi aims to expand business in the ASEAN region from the current level of approximately 500 billion yen to 700 billion yen by 2021.

**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 the Social Innovation Business, and it 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 on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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