

News Release

FOR IMMEDIATE RELEASE

Hitachi's IoT service Hitachi Global Data Integration is adopted by Sullair USA for its connected services

Streamlines maintenance by ascertaining operating status of air compressors operating globally

Helps ensure continued safe and secure use of equipment

Tokyo, March 29, 2022 – Hitachi, Ltd. (TSE: 6501) today announced that Hitachi Global Data Integration ("HGDI")^{*1}, an IoT service that supports the expansion of companies' global IoT businesses, has been adopted by Sullair, LLC ("Sullair"), which manufactures and markets air compressors, for its connected services business.

As one of Hitachi's Lumada^{*2} solutions that accelerate digital innovation, HGDI provides a comprehensive system environment to support the collection, storage, management, and utilization of data sent from communication devices connected to the relevant equipment, which is then used to troubleshoot and remedy the various issues that can hinder the use of IoT technologies in a global environment.

The collection and storage of operating data on Sullair equipment operating globally allows the user to ascertain the status of the equipment in real time by remotely monitoring the operating status. The ability to streamline the maintenance of equipment located across the globe and provide optimal solutions to prevent equipment failure and other equipment malfunctioning will enable Sullair to advance its after-sales service and other recurring business.

^{*1} Hitachi News Release June 18, 2020: Hitachi Launches "Hitachi Global Data Integration," an IoT Service That Supports the Expansion of Companies' Global IoT Businesses. <https://www.hitachi.com/New/cnews/month/2020/06/200618.html>

^{*2} Lumada: A collective term for solutions, services and technologies based on Hitachi's advanced digital technologies for creating value from customers' data accelerating digital innovation

In this era of ever more accelerating social change demanding a rapid response, such as the lifestyle changes brought about by COVID-19, unprecedented natural disasters, and global warming, companies face the challenge of responding to the needs of the market while at the same time creating a sustainable society that balances the economy and the environment. To address these challenges, we need to further strengthen contacts and relationships with customers and companies through the use of data. IoT data collected from products and solutions is expected to improve usability, streamline business operations, and reduce the environmental impact.

Sullair has built a connected services business that collects and utilizes operating information and other IoT data on its air compressors provided through its worldwide sales network in order to strengthen the company's relationship with users and dealers in the after-sales phases of periodic inspections to ensure stable operation of equipment, sales of consumables, and repairs. The introduction of HDGI is part of the company's efforts to bolster its provision of these services.

In 2020, Hitachi launched HGDI, an IoT service that supports the IoT business of companies operating in a global environment. This support takes the form of preparing and managing the communication lines required for IoT to be employed across countries and regions, and providing all the basic functions needed to collect data from "things" and utilize it efficiently, including the provision and operation of a systems environment for the collection, storage, and efficient utilization of data. HGDI supports the efficient utilization of data by connecting OT-specific data structures and communication protocols developed by Hitachi over many years to IT, to obtain operational data from communication devices mounted on equipment.

HGDI will enable Sullair's end-users and dealers to check the operating status of air compressors in their respective regions remotely by utilizing IoT data on operating status. The system also displays a map showing the location information and operating status of devices

for each authorized user, and is equipped with a warning function in respect of theft and use in unexpected locations, such as devices brought into restricted areas.

In the future, HGDI will link data in real time with Sullair's "My Sullair" portal service to support processes such as the purchase of periodic replacement parts and consumables as and when required, as well as the purchase of new products as equipment ages, helping to ensure its continued safe and secure use.

This will enable equipment to be maintained in an appropriate condition by proposing maintenance based on its operating status. Moreover, it can be harnessed for marketing initiatives and new product design, such as the selection of sales channels or the optimization of maintenance locations or parts distribution. In addition, visualizing operational information will contribute to further quality improvement, while improving energy efficiency will contribute to our efforts to achieve carbon neutrality and a circular economy..

The introduction of this service is supported by KDDI*3, a partner in IoT Worldwide Architecture, and Hitachi U.S. subsidiary Hitachi Vantara LLC. The communication device utilizes Hitachi Industrial Equipment Systems' CPTrans series. The installation of the CPTrans-MGW in the air compressor enables data to be collected and stored on the location information (GPS) of the air compressor and its operating status via the network.

*3 KDDI News Releases June 07, 2018: KDDI Offers Integrated Architecture for Worldwide IoT Accelerating New Value Generation, Efficiency for Global Corporations
<https://www.eu.kddi.com/company/news/detail/Integrated-architecture.html>

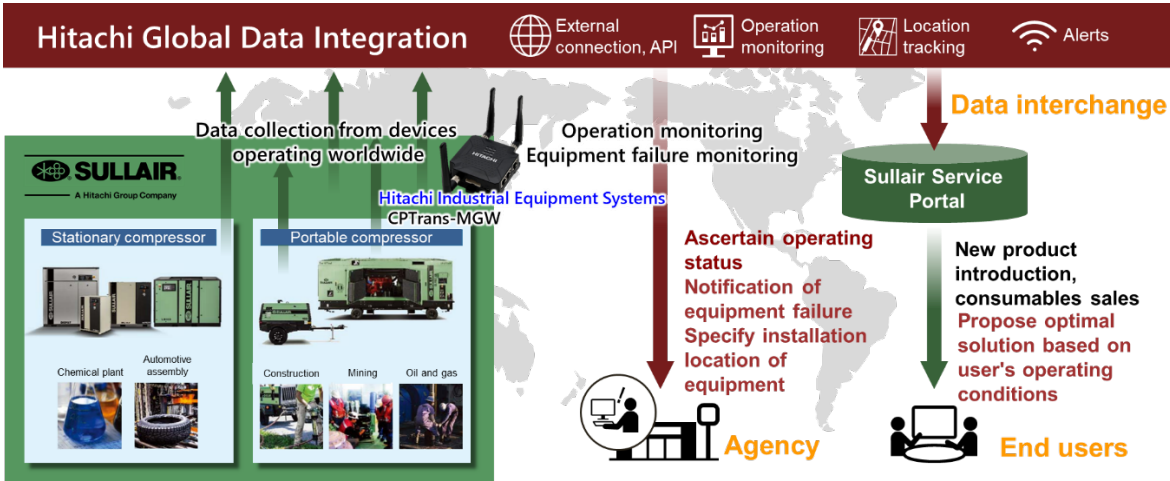


Figure: Overview of connected services

Hitachi will continue its efforts to evolve its maintenance technology and promote digital transformation (DX) through the use of IoT data in a variety of industries both in Japan and overseas, including manufacturing, logistics, and social infrastructure. We will work to expand new services utilizing operational data collected from products shipped domestically and internationally, and further strengthen collaboration with various partners to help companies expand their global IoT business.

Responses to this announcement from partner companies

KDDI Corporation: Keiichi Mori, Senior Managing Executive Officer and Director; Executive Director, Solution Business Sector

KDDI sincerely welcomes Sullair's launch of HGDI. KDDI has been working to expand its connected automotive and industrial IoT-enabled business since 2018, when it began promoting collaboration in its global IoT business "IoT Worldwide Architecture". We will continue to strengthen our collaboration with Hitachi while actively developing solutions that

maximize value creation with our customers.

Sullair, LLC : John Randall, President & CEO

To be successful, our customers cannot have unplanned downtime in their operations. This is why we're excited to offer our end customers this new Hitachi IoT solution that will help them optimize performance, reduce maintenance costs, and optimize energy use. We look forward to working with Hitachi to continue to expand our efforts.

Hitachi Industrial Equipment Systems Co., Ltd. : Yasuhiro Takeuchi, President and Director

Hitachi Industrial Equipment Systems welcomes Sullair's introduction of HGDI. Sullair is a critical player in the Hitachi Group's global strategy for its air compressor business, and connected services will help us pursue even greater customer value. We will continue to work on further value co-creation by reinforcing the linkage with the global router CPTrans-MGW.

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About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, contributes to a sustainable society with a higher quality of life by driving innovation through data and technology as the Social Innovation Business. Hitachi is focused on strengthening its contribution to the Environment, the Resilience of business and social infrastructure as well as comprehensive programs to enhance Security & Safety. Hitachi resolves the issues faced by customers and society across six domains: IT, Energy, Mobility, Industry, Smart Life and Automotive Systems through its proprietary Lumada solutions. The company's consolidated revenues for fiscal year 2020 (ended March 31, 2021) totaled 8,729.1 billion yen (\$78.6 billion), with 871 consolidated subsidiaries and approximately 350,000 employees worldwide. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

About Sullair, LLC

For more than 55 years, Sullair has been on the leading edge of compressed air solutions. We were one of the first to execute rotary screw technology in our air compressors, and our machines are famous throughout the world for their legendary durability. As the industry moves forward, we will remain at the forefront with quality people, innovation, and air compressors that are built to last.

Sullair became a Hitachi Group Company in July 2017 and is part of the Hitachi Industrial Equipment Systems Co., Ltd. compressor portfolio.

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.
