

News Release

FOR IMMEDIATE RELEASE

Hitachi to transfer Hitachi Power Semiconductor Device shares to MinebeaMitsumi for further growth and corporate value enhancement of Hitachi Power Semiconductor Device

Tokyo, November 2, 2023 – Hitachi, Ltd. (TSE:6501, “Hitachi”) has signed an agreement today to transfer all shares of its wholly owned subsidiary, Hitachi Power Semiconductor Device, to MinebeaMitsumi Inc. for further growth and corporate value enhancement of Hitachi Power Semiconductor Device.

1. Reason for the Share Transfer

Hitachi Power Semiconductor Device was established in October 2013 for the purpose of structuring an integrated system from design and manufacturing to sales in power semiconductor business by integrating the business of Hitachi and Hitachi Haramachi Electronics Co. Since then, Hitachi Power Semiconductor Device has been providing high value-added products utilizing high-voltage and low-loss technologies in the field of power semiconductors, which are key devices in the electrification and motorization of industry and social infrastructure, with "IGBT^{*1}/SiC^{*2}", "High Voltage IC" and "Diodes" as its three main product categories. Hitachi Power Semiconductor Device is focusing on IGBT/SiC products in the market areas where high growth is expected toward the realization of a decarbonized society, such as electric vehicles and inverters for wind power generators, in addition to railroad applications, utilizing the strength of the high durability and reliability cultivated in railroad applications. Many customers in Japan and overseas have adopted IGBT/SiC made by Hitachi Power Semiconductor Device. In the area of high-voltage ICs for industrial and home appliance applications, Hitachi Power Semiconductor Device is contributing to efficiency improvement and noise reduction in customers' systems through motor control technology and software based on the knowledge it has gained from providing products for a wide range of fields. Furthermore, Hitachi Power Semiconductor Device provides diodes for automotive applications, which require high reliability, for a long period of time.

*1 Insulated Gate Bipolar Transistor

*2 Silicon Carbide

Hitachi and Hitachi Power Semiconductor Device have held many discussions on measures to achieve further growth and enhance the corporate value of Hitachi Power Semiconductor Device. As a result of the discussion, we have reached a conclusion that the best way for Hitachi Power Semiconductor Device to continue its growth in the power semiconductor market, which is expected a high growth in the future, is to expand its production capacity and improve manufacturing efficiency under MinebeaMitsumi, which positions the analog semiconductor business as one of its core businesses.

Under MinebeaMitsumi, with whom Hitachi Power Devices has been collaborating for many years, Hitachi Power Semiconductor Device will further enhance its strengths in high-voltage, low-loss technologies, expand its production capacity and improve manufacturing efficiency to provide higher value-added products in larger quantities to markets and customers, thereby aiming for further growth and corporate value enhancement.

Hitachi will strive to further enhance its corporate value by leveraging the funds obtained from this share transfer for investment in growth of green and service business in the energy field.

2. Outline of the Share Transfer

Number of shares to be sold	450,000shares (100%*)
Date of Transfer	The date of the share transfer is still undecided at this moment, while we aim to execute the transfer as soon as possible.

* Ratio to total number of outstanding shares

3. Outline of the counterparty to the share transfer

Corporate Name	MinebeaMitsumi Inc.
Registered Head Office	4106-73 Oaza Miyota, Miyota-machi, Kitasaku-gun, Nagano, Japan
Representative	Yoshihisa Kainuma, Representative Director, Chairman CEO
Outline of Business	<ul style="list-style-type: none">• Machinery Components Business, Electronic Devices and Components Business• Automotive, Industrial Machinery and Home Security Unit Business
Capital	68,258 million yen (As of March 31, 2023)
Established	July 16, 1951

4. Outline of Hitachi Power Semiconductor Device

Corporate Name	Hitachi Power Semiconductor Device, Ltd.
Registered Head Office	5-2-2, Omikacho, Hitachi-shi, Ibaraki, Japan
Representative	Masahiko Suzuki, President
Outline of Business	<ul style="list-style-type: none">• Design, production and sale of semi-conductor components• Design, production and sale of semi-conductor application equipment and components
Capital	450 million yen (As of March 31, 2023)
Established	October 1, 2013

- End -

About Hitachi, Ltd.

Hitachi drives Social Innovation Business, creating a sustainable society through the use of data and technology. We solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products. Hitachi operates under the business structure of "Digital Systems & Services" - supporting our customers' digital transformation; "Green Energy & Mobility" - contributing to a decarbonized society through energy and railway systems, and "Connective Industries" - connecting products through digital technology to provide solutions in various industries. Driven by Digital, Green, and Innovation, we aim for growth through co-creation with our customers. The company's consolidated revenues for fiscal year 2022 (ended March 31, 2023) totaled 10,881.1 billion yen, with 696 consolidated subsidiaries and approximately 320,000 employees worldwide. For more information on Hitachi, please visit the company's website 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.
