

News Release

FOR IMMEDIATE RELEASE

Hitachi and Hitachi Asia (Thailand) Sign a Memorandum of Understanding with Thailand Post to Support Digitization of Postal Services Provided

To start Proof of Concept of information transmission that based on Thailand Postal Network



The signing ceremony

Bangkok, Thailand, February 20, 2018 --- Hitachi, Ltd. (TSE: 6501, “Hitachi”) and Hitachi Asia (Thailand) Co., Ltd. (“Hitachi Asia (Thailand)”), a branch of Hitachi, today announced that they have signed a memorandum of understanding (MoU) with Thailand Post Co., Ltd. (“Thailand Post”), the Thai government-owned state enterprise under the supervision of the Ministry of Digital Economy and Society to provide postal services. The MoU concerns the cooperation amongst the parties with view of realizing the information providing service for Thai people and other related Thailand Post’s new services.

Based on this MoU, Hitachi and Hitachi Asia (Thailand) will work with Thailand Post to start proof of concept (PoC) regarding a new information transmission that utilizes the nationwide postal network as a highly reliable way to deliver public administrative information to Thai nationals. Specifically, Thailand Post will introduce an experimental digital post*¹ that will enable receivers to receive notifications from the state agencies of Thailand through their computers and smartphones. The PoC will also accommodate the outsource mail printing service. Studies will also be conducted on the needs associated with other public administrative information and various types of

notifications from private companies, such as direct mail and invoices, to determine the feasibility of specific Thailand Post services specifically for such notifications. Utilizing the results of the PoC including consideration of change to alternative approach, in order to achieve Thailand Post's new services that can contribute to improving its business operation or solving challenges in the future, Thailand Post, Hitachi and Hitachi Asia (Thailand) will compile plans to develop the service for the following years and consider the wide range of ICT functions to realize the services.

Thailand is currently promoting a national policy aimed at establishing an advanced economic infrastructure and achieving further economic development. In the field of postal services, the Ministry of Digital Economy and Society (Thailand) ("MDES") has been working with the Ministry of Internal Affairs and Communications (Japan) ("MIC"). In FY 2016, MIC conducted a research project that suggested that the utilization of postal network for the purpose of public administrative services could be effective in addressing the digital divide (information gap)^{*2}.

In view of this, in June 2017, the Minister of MIC and the Minister of MDES concluded a MoU in the field of information, communication and digital technology, including postal services. MIC was to conduct research related to the delivery of public administrative information via Thailand's postal network to Thai nationals. Having received the contract to conduct this research, Hitachi will be conducting the aforementioned PoC.

Hitachi has extensive experience and expertise in developing and providing systems for postal and other public services in Japan. The information transmission to be introduced is based on the use of digital post and is intended to serve as an alternative to hard copy deliveries. Hitachi aims to contribute in supporting the services through digital post or print and mail outsourcing to improve access for Thai nationals.

The Thai government has announced "Thailand 4.0", a vision of the ideal economic society that Thailand is striving to achieve, and is promoting the Eastern Economic Corridor ("EEC") development plan as a one of the key measures to realize this vision. Hitachi and the EEC Office have concluded a collaboration agreement to apply digital technologies, including IoT technologies, and establishing innovative environment^{*3}. Based on this agreement, Hitachi has begun considering the establishment of bases from which to deploy Lumada, Hitachi's IoT platform, and is strengthening efforts to provide digital solutions throughout Thailand and the ASEAN region.

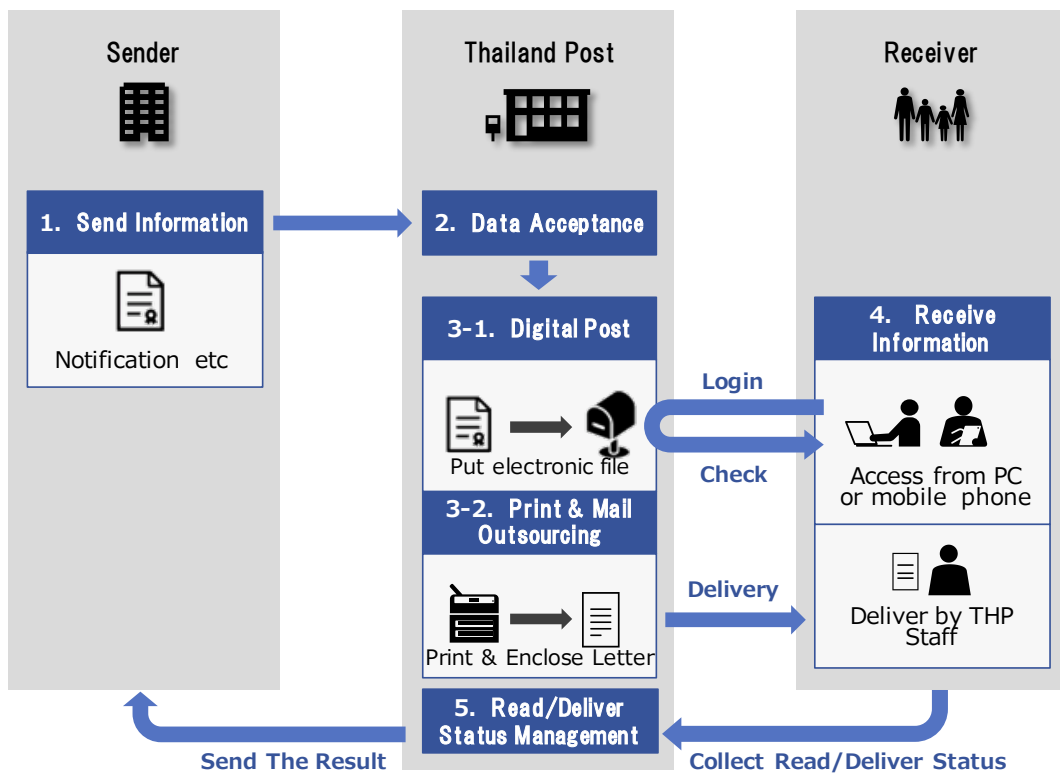
By combining the postal network of Thailand Post and Hitachi's digital technologies, Hitachi and Hitachi Asia (Thailand) will work with Thailand Post to create new services that will enable interactive information transmission with Thai nationals and accelerate this collaborative creation effort to further improve postal services.

*1 Digital post: An electronic mailbox system for receiving electronic documents from senders; when the user is successfully authenticated, he/she will be allowed to browse and store electronic documents on the system.

*2 Digital divide: The gap between those who can use information and communication technologies (such as computers and the internet) and those who cannot

*3 Hitachi and the Eastern Economic Corridor Office concluded a cooperation agreement on the use of IoT technologies in the EEC Development Plan in Thailand (September 12, 2017). <http://www.hitachi.com/New/cnews/month/2017/09/170912.html>

Outline of PoC



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>.

About Hitachi Asia Ltd.

Hitachi Asia Ltd., a subsidiary of Hitachi, Ltd., is headquartered in Singapore. With offices across seven Asean countries - Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam - the company is focused on its Social Innovation Business to answer society's challenges. Hitachi Asia and its subsidiary companies offer a broad range of information & telecommunication systems, power systems, social infrastructure & industrial systems, electronic systems and equipment, construction machinery, high functional materials and components, automotive systems, home appliances and others. For more information on Hitachi Asia, please visit the company's website at <https://www.hitachi.com.sg>.

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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.
