

# News Release

**FOR IMMEDIATE RELEASE**

## **Hitachi Invests in Geodesic Capital Venture Capital Fund, Aiming to Accelerate Open Innovation with Silicon Valley Startups**

**Tokyo, Japan, March 22, 2018** --- Hitachi, Ltd. (TSE:6501, "Hitachi") announced today that it has agreed to invest in a fund managed by Geodesic Capital, a venture capital company active mainly in Silicon Valley. By investing in this fund, Hitachi will help to accelerate open innovation with startup companies in Silicon Valley using Geodesic Capital's extensive network.

In recent years, with advances in digitalization as IoT and digital technologies continue to be used in a wide range of fields, startup companies with cutting-edge technologies have become a driving force behind global innovations. Hitachi is also promoting the effective use of advanced technologies such as AI and robotics through its Social Innovation Business, which combines the OT (Operational Technology) and IT that it has accumulated up to now.

Geodesic Capital is a venture capital company established in 2015 by John Roos, former United States Ambassador to Japan, Ashvin Bachireddy, previously a growth stage partner at Andreessen Horowitz, and Mitsubishi Corporation. Geodesic Capital invests in rapidly growing technology companies in Silicon Valley and the broader U.S. using capital gathered from Japanese companies, supports their entry into Japan, and connects Japanese companies with Silicon Valley companies to support the creation of new business. Hitachi will invest as a limited partner in Geodesic Capital Fund I-S, a supplemental fund of the company's first fund which was established in 2015.

In addition to the investment, Hitachi America, Ltd.<sup>(1)</sup> will establish its new Global Open Innovation Division on April 1 as an organization dedicated to open innovations. By utilizing Geodesic Capital's extensive network, the division will promote open innovations with startup companies. At the same time, in Japan, Hitachi will establish its Open Innovation Division in the Future Investment Division, which was established in April 2017 to create new business and oversee strategic investments in its Social Innovation Business. The establishment of these two divisions will accelerate business rollout and collaborations with startup companies and other outside entities.

(1) Hitachi America, Ltd.: The Hitachi Group's regional headquarters for North America

Hitachi will continue to make aggressive investments aimed at accelerating open innovations, promote collaborative creation with startup companies and a variety of other partners, and roll out its Social Innovation Business using state-of-the-art technologies, in an effort to resolve the issues being faced by society.

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**Comments from John Roos, Partner and Co-Founder, Geodesic Capital**

"Geodesic is proud to add an iconic company like Hitachi as a Limited Partner, and we are excited about the opportunity for our portfolio companies to partner with Hitachi as they build their businesses in Japan. We also look forward to working with Hitachi's team in Silicon Valley to support their strategic objectives and focus on open innovation."

**Comments from Toshiaki Higashihara, President and CEO, Hitachi, Ltd.**

"I am extremely pleased to have this opportunity to invest in Geodesic Capital, which has an extensive network of ties with startup companies in Silicon Valley that act as the driving force behind the world's innovations. Through this investment, we will accelerate open innovations with companies in Silicon Valley focused on AI and robotics, and further evolve the Social Innovation Business using Hitachi's Lumada IoT platform and other cutting-edge technologies."

**About Geodesic Capital**

Geodesic Capital supports U.S.-based entrepreneurs building transformative growth stage technology companies. It was founded by former U.S. Ambassador to Japan and former CEO of Wilson Sonsini Goodrich & Rosati, John V. Roos, Ashvin Bachireddy, previously a growth stage partner at Andreessen Horowitz and Mitsubishi Corporation. Geodesic Capital helps its portfolio companies expand globally into key markets in Asia, starting with Japan, by assisting them in finding employees, customers, partners and developing go-to-market strategies. For more information, please visit [www.geodesiccap.com](http://www.geodesiccap.com).

**Outline of the fund targeted for investments**

Fund name	Geodesic Capital Fund I-S
Established	March 20, 2018
Investment strategy	Invest in emerging growth companies in Silicon Valley, and support activities for that growth
Fund value	Up to US\$ 165 million

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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.

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