

News Release

FOR IMMEDIATE RELEASE

Hitachi Announces to Form Hitachi MGRM Net

Delhi, April 10, 2018 --- Hitachi, Ltd. (TSE:6501, "Hitachi") and Hitachi India Pvt. Ltd. ("Hitachi India") announced that as of April 9, they formed Hitachi MGRM Net Limited ("Hitachi MGRM Net") to expand its Social Innovation Business in India using digital technologies. Hitachi India acquired part of the shares in MGRM Net Limited ("MGRM Net"), which is involved in the IT service business in India. Consequent to this acquisition, the name of the company would be changed to Hitachi MGRM Net. In the future, by combining the expertise of MGRM Net's platforms and applications related to e-Governance along with the digital solutions utilizing technological strengths of Hitachi's IoT platform "Lumada".

The new company is about partnering with the Government in digitally transforming the Indian society by providing citizen lifecycle e-Governance. The spectrum of e-Governance covers, amongst many, the fields of education, healthcare, agriculture, labour and insurance. Hitachi MGRM Net will enable to create a smart social environment in the future.

MGRM Net has a track record of developing service platforms and applications (e.g., "M-Governance Platform" and "M-Star Education Expert Systems") for projects led by the Indian government and targeting the digitalization of administration services, as in the case of "e-Governance" and "e-Education". MGRM Net has already provided services regarding educational guidance with data analytics for students and parents, as well as systems for the digital management and archiving of academic records and other personal data, to approximately 5 million users across India.

Meanwhile, Hitachi has positioned India as one of its strategic regions globally, and has expanded its business in India by focusing on government service solutions such as Intelligent Transport Systems (ITS) and public security using IoT technologies, and on the railway system business, that contributes in strengthening social infrastructures.

Hitachi India and MGRM Net have been collaborating since 2015 for the digitalization of e-Governance services in India. They have been offering solutions to the state governments for Real Time Governance that has been designed for promoting transparency and accountability across the government policies and beneficiaries. With the formation of Hitachi MGRM Net, they will develop and provide new solutions and services that contribute to "Digital India" by combining the experience and expertise of the two companies', along with their respective IT and IoT technologies.

Comment from Toshiaki Higashihara, President & CEO of Hitachi, Ltd.

“Along with the acceleration of digitalization all over the world, Hitachi is focusing on Social Innovation Business in order to solve social issues and customers’ challenges by utilizing IoT platform ‘Lumada’. I have great expectation for Hitachi MGRM Net to take important roles to develop innovative solutions with ‘Lumada’, and to expand them to the whole world starting from India”.

Comment from Bharat Kaushal, Managing Director of Hitachi India

“We are extremely pleased to announce the formation of Hitachi MGRM Net, as a result of a strong collaborative relationship with MGRM Net, we would be working on the e-Governance including administration services for the Indian government. We will undertake collaborative creation with partners to develop and provide solutions to the issues. India is facing in order to promote the ‘Digital India’ and ‘e-Governance’ programs being led by the Indian government, thereby contributing to the further growth of the Indian society”.

Comment from Dr. Komandury Venkata Ramana Murthy, Chairman of MGRM Net

“I am very happy to have collaborated with Hitachi, a world-class conglomerate company. By combining our respective experience, expertise, and cutting-edge technologies, we will create innovations that will contribute to the digitalization of the Indian society”.

Outline of Hitachi MGRM Net

Name	Hitachi MGRM Net Limited
Head Office	New Delhi, India
Chairman	Komandury Venkata Ramana Murthy
Outline of business	Development and sales of ERP solutions
Established	April 9, 2018
Capital Investment Ratio	26%

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>.

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.
