

## Notice Regarding Revision in Timing of Commencement of Tender Offer for Shares of Hitachi Transport System by HTSK Co., Ltd.

**Tokyo, September 29, 2022** --- As announced in the press release issued on April 28, 2022<sup>\*1</sup>, Hitachi, Ltd. (TSE:6501, "Hitachi") entered into a basic agreement with HTSK Co., Ltd. (the "Offeror"), a wholly owned subsidiary of HTSK Holdings Co., Ltd. (the "Offeror Parent"), all equity interests in which are currently owned by HTSK Investment L.P., which is indirectly held and operated by Kohlberg Kravis Roberts & Co. L.P., whereby (1) the Offeror will launch a tender offer (the "Tender Offer") for common shares of Hitachi Transport System, Ltd. ("Hitachi Transport System"), an equity method affiliate of Hitachi (ownership ratio<sup>\*2</sup>: 39.91%), Hitachi will not tender any of its shares of Hitachi Transport System (33,471,578 shares, "Shares to Be Sold by Hitachi") in the Tender Offer, (2) Hitachi will sell the Shares to Be Sold by Hitachi in accordance with the share repurchase to be conducted by Hitachi Transport System (Transaction Price: approx. 222.0 billion yen, 6,632 yen per share), and (3) Hitachi obtains 10.0 billion yen worth of the Offeror Parent's shares with voting rights (equivalent to 10% of the total voting rights).

As provided for in the "Announcement Regarding the Commencement of the Tender Offer for the Shares of Hitachi Transport System, Ltd. (Securities Code 9086)" dated April 28, 2022, the Offeror intended to commence the Tender Offer in late September 2022. However, regarding the Tender Offer, the Offeror announced today progress in and changes to certain conditions including completion of procedures and actions required under domestic and overseas competition laws, and domestic and overseas laws in connection with inward direct investment (the "Procedures"). In light of our discussions entered into with foreign counsel with respect to the Procedures, as of the date hereof, the Offeror intends on completing the Procedures and commencing the Tender Offer in early November 2022. However, since it is difficult to estimate the time period required for completion of the Procedures, the Offeror will make an announcement promptly once the schedule of the Tender Offer has been determined.

The timing to post an extraordinary gain in Hitachi's unconsolidated statements of operations when all of the Shares to Be Sold by Hitachi are transferred in the Transaction is expected to remain unchanged from the press release dated April 28, 2022. Should any changes that needs to be disclosed arise, Hitachi will announce them in a timely manner.

<sup>\*1</sup> Press release dated April 28, 2022: Recognition of Extraordinary Gain on Unconsolidated Basis due to Transfer of Shares of Hitachi Transport System [https://www.hitachi.com/New/cnews/month/2022/04/f\\_220428b.pdf](https://www.hitachi.com/New/cnews/month/2022/04/f_220428b.pdf)

<sup>\*2</sup> The ownership percentage, here and throughout this release, refers to the percentage (rounded to the second decimal place) of the number of the Shares to Be Sold by Hitachi based on a total amount of 83,873,014 shares, which has been calculated by deducting the number of treasury shares held by Hitachi Transport System as of June 30, 2022 (228,673 shares, excluding the 184,700 shares held by the trust for the performance-based employee stock ownership plan) from the total number of issued shares (84,101,714 shares) as stated in the First Quarterly Report for the Year Ending March 31, 2023, released by Hitachi Transport System as of August 12, 2022.

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## About Hitachi, Ltd.

Hitachi drives Social Innovation Business, creating a sustainable society with data and technology. We will solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products, under the business structure of Digital Systems & Services, Green Energy & Mobility, Connective Industries and Automotive Systems. Driven by green, digital, and innovation, we aim for growth through collaboration with our customers. The company's consolidated revenues for fiscal year 2021 (ended March 31, 2022) totaled 10,264.6 billion yen (\$84,136 million USD), with 853 consolidated subsidiaries and approximately 370,000 employees worldwide. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

## Cautionary Statement

Certain statements found in this document may constitute "forward-looking statements" as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such "forward-looking statements" reflect management's current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as "anticipate," "believe," "expect," "estimate," "forecast," "intend," "plan," "project" and similar expressions which indicate future events and trends may identify "forward-looking statements." Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the "forward-looking statements" and from historical trends. Certain "forward-looking statements" are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on "forward-looking statements," as such statements speak only as of the date of this report.

Factors that could cause actual results to differ materially from those projected or implied in any "forward-looking statement" and from historical trends include, but are not limited to:

- economic conditions, including consumer spending and plant and equipment investment in Hitachi's major markets, as well as levels of demand in the major industrial sectors Hitachi serves;
- exchange rate fluctuations of the yen against other currencies in which Hitachi makes significant sales or in which Hitachi's assets and liabilities are denominated;
- uncertainty as to Hitachi's ability to access, or access on favorable terms, liquidity or long-term financing;
- uncertainty as to general market price levels for equity securities, declines in which may require Hitachi to write down equity securities that it holds;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components;
- credit conditions of Hitachi's customers and suppliers;
- general socioeconomic and political conditions and the regulatory and trade environment of countries where Hitachi conducts business, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports and differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- uncertainty as to Hitachi's ability to respond to tightening of regulations to prevent climate change;
- uncertainty as to Hitachi's ability to maintain the integrity of its information systems, as well as Hitachi's ability to protect its confidential information or that of its customers;
- uncertainty as to Hitachi's ability to attract and retain skilled personnel;
- uncertainty as to Hitachi's ability to continue to develop and market products that incorporate new technologies on a timely and cost-effective basis and to achieve market acceptance for such products;
- exacerbation of social and economic impacts of the spread of COVID-19;
- the possibility of disruption of Hitachi's operations by natural disasters such as earthquakes and tsunamis, the spread of infectious diseases, and geopolitical and social instability such as terrorism and conflict;
- estimates, fluctuations in cost and cancellation of long-term projects for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- increased commoditization of and intensifying price competition for products;
- fluctuations in demand of products, etc. and industry capacity;

- uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in demand of products, etc., exchange rates and/or price of raw materials or shortages of materials, parts and components;
- uncertainty as to the success of cost structure overhaul;
- uncertainty as to Hitachi's ability to achieve the anticipated benefits of its strategy to strengthen its Social Innovation Business;
- uncertainty as to the success of acquisitions of other companies, joint ventures and strategic alliances and the possibility of incurring related expenses;
- uncertainty as to the success of restructuring efforts to improve management efficiency by divesting or otherwise exiting underperforming businesses and to strengthen competitiveness;
- the potential for significant losses on Hitachi's investments in equity-method associates and joint ventures;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity-method associates and joint ventures have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- uncertainty as to Hitachi's access to, or ability to protect, certain intellectual property; and
- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its employee benefit-related costs.

The factors listed above are not all-inclusive and are in addition to other factors contained elsewhere in this report and in other materials published by Hitachi.

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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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