

FOR IMMEDIATE RELEASE

Hitachi Announced the Terms for the Unsecured Straight Bond including Digital Green Bond

Tokyo, December 7, 2023 --- Hitachi, Ltd. (TSE:6501 “Hitachi”) today announced the terms of unsecured straight bonds as set forth below following the announcement*¹ relating to the plan to issue unsecured straight bonds including “Digitally Tracked Green Bond” (“digital green bond”) which utilizes digital technologies such as IoT and a blockchain platform on November 16, 2023.

The proceeds from the issuance of the digital green bond will be used to refinance expenditures of the construction and refurbishment of *Kyōsō-to* of the Central Research Laboratory (energy saving building), and this will be the first benchmark size*² in Japan, totaling 10.0 billion yen. The proceeds from the issuance of 22nd series and 23rd series unsecured straight bonds will be used to refinance of short-term funding for repaying 18th bond.

*1 News release dated November 16, 2023 “Cooperation in the Issuance of Hitachi’s Digital Green Bond”

<https://www.hitachi.com/New/cnews/month/2023/11/231116.html>

*2 Amounts typically issued in the lead manager method publicly offered primary market

The summary of the terms and conditions of each series of bond is as follows;

I. Hitachi, Ltd. 21st series unsecured straight bond with inter-bond pari passu clause
(Digitally Tracked Green Bond)

1. Name	Hitachi, Ltd. 21st series unsecured straight bond with inter-bond pari passu clause (Digitally Tracked Green Bond)
2. Principal amount	10.0 billion yen
3. Denomination	100 million yen
4. Issue price	100% of the principal amount
5. Coupon rate	0.598% per annum
6. Redemption price	100% of the principal amount
7. Coupon payment dates	June 14 and December 14 of each year
8. Maturity date	December 14, 2028 (5 years)
9. Redemption	(1) Redemption: The principal of the bonds shall be redeemed in a lump sum on the Maturity date. (2) Retirement by purchase: The issuer may repurchase the bonds from after the day after the Payment date to three bank business days (If the redemption date falls on a bank holiday, the date shall be four bank business days prior.) prior to the redemption date.
10. Type of offering	Public Offering
11. Offering period	December 7, 2023
12. Payment date	December 14, 2023
13. Fiscal covenants	Negative pledge clause
14. Underwriters	Nomura Securities Co., Ltd.
15. The digital structuring agent* ³	Nomura Securities Co., Ltd.
16. The green bond	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

	structuring agent ^{*4}	
17. Fiscal Agent		Mizuho Bank, Ltd.
18. Blockchain platform for bond registry		ibet for Fin (Blockchain network developed by BOOSTRY Co., Ltd. and operated and managed by the ibet for Fin consortium)
19. Administrator of bond registry		Mizuho Bank, Ltd.
20. Second Party Opinion		Hitachi, Ltd. has obtained a second party opinion from Rating and Investment Information, Inc. (R&I) on the alignment of the framework.

*3 An entity which supports the issuance of digital green bonds by originating schemes and advising impact reporting using digital technologies, distribution to investors, required documentation, and more.

*4 An entity that provides support for the issuance of green bonds through the advice on the development of a green bond framework and obtaining an external review.

II. Hitachi, Ltd. 22nd series unsecured straight bond with inter-bond pari passu clause

1. Name Hitachi, Ltd. 22nd series unsecured straight bond with inter-bond pari passu clause
2. Principal amount 30.0 billion yen
3. Denomination 100 million yen
4. Issue price 100% of the principal amount
5. Coupon rate 0.865% per annum
6. Redemption price 100% of the principal amount
7. Coupon payment dates June 14 and December 14 of each year
8. Maturity date December 14, 2030 (7 years)
9. Redemption
(1) Redemption: The principal of the bonds shall be redeemed in a lump sum on the Maturity date.
(2) Retirement by purchase: The issuer may repurchase the bonds on or after the day after the Payment date.
10. Type of offering Public Offering
11. Offering period December 7, 2023
12. Payment date December 14, 2023
13. Fiscal covenants Negative pledge clause
14. Underwriters Mizuho Securities Co., Ltd.,
Nomura Securities Co., Ltd.,
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
15. Fiscal Agent Mizuho Bank, Ltd.

III. Hitachi, Ltd. 23rd series unsecured straight bond with inter-bond pari passu clause

1. Name Hitachi, Ltd. 23rd series unsecured straight bond with inter-bond pari passu clause
2. Principal amount 50.0 billion yen
3. Denomination 100 million yen
4. Issue price 100% of the principal amount
5. Coupon rate 1.184% per annum
6. Redemption price 100% of the principal amount
7. Coupon payment dates June 14 and December 14 of each year
8. Maturity date December 14, 2033 (10 years)
9. Redemption (1) Redemption: The principal of the bonds shall be redeemed in a lump sum on the Maturity date.
(2) Retirement by purchase: The issuer may repurchase the bonds on or after the day after the Payment date.
10. Type of offering Public Offering
11. Offering period December 7, 2023
12. Payment date December 14, 2023
13. Fiscal covenants Negative pledge clause
14. Underwriters Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.,
Nomura Securities Co., Ltd.,
Mizuho Securities Co., Ltd.,
SMBC Nikko Securities Inc.,
Daiwa Securities Co. Ltd.,
Goldman Sachs Japan Co., Ltd.,
BofA Securities Japan Co., Ltd.
15. Fiscal Agent MUFG Bank, Ltd.

Note: This news release does not constitute an offer of any securities for sale in any jurisdiction. This news release has been prepared for the sole purpose of publicly announcing the plan of issuance of new bonds and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. The securities referred to above have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

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 document.

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 in other materials published by Hitachi.

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.
