

## **Hitachi Acquires a Sales and Maintenance Service Company for Large Motors in the United States**

Accelerating recurring business and the expansion of electrification products  
in North America

**Tokyo, January 20, 2025** – Hitachi Ltd. (TSE: 6501, "Hitachi") announced today that it has completed the acquisition of Joliet Electric Motors, LLC ("Joliet"), which is headquartered in Illinois, the United States, and engaged in the sales and maintenance service business of large motors in North America from three funds\*<sup>1</sup> on January 17. Going forward, Hitachi Industrial Products Ltd. ("Hitachi Industrial Products"), which is engaged in the large industrial equipment business, will operate Joliet's business.

\*<sup>1</sup> Argosy Investment Partners IV, L.P. (headquartered in Pennsylvania, the United States), Odyssey Capital Group, L.P. (headquartered in Pennsylvania, the United States), and Ironwood Mezzanine Fund II L.P. (headquartered in Connecticut, the United States).

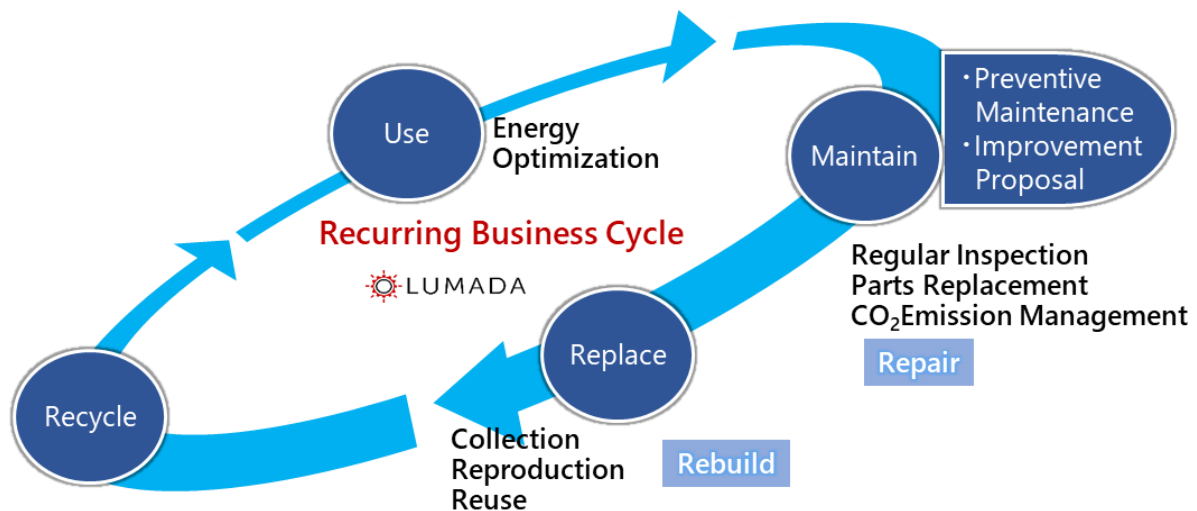
Joliet has a 90-year track record in the sales and maintenance service business (repair, rebuild) of large motors for the energy and heavy industry sectors in North America. Since 2002, Joliet has strengthened its partnership with Hitachi Industrial Products as a sales distribution partner for oil drilling. Through this acquisition, Hitachi Industrial Products will enhance its recurring business by expanding the sales of large industrial equipment in North America, strengthen the maintenance service business for existing products, and enter into the maintenance service business for products manufactured by other companies. Hitachi Industrial Products also aims to contribute to the reduction of CO<sub>2</sub> emissions from energy sources by developing and providing electrified products through Joliet's sales channels.

### **■ Purpose and Significance of this Acquisition**

According to the U.S. Energy Information Administration's 2023 Energy Outlook, CO<sub>2</sub> emissions from energy sources in the United States are expected to decrease by 2050 due to the advancement of electrification, improved efficiency of equipment, and the expansion of renewable energy generation. However, production of oil and natural gas is projected to continue to increase due to the growing global demand until 2050.

Hitachi Industrial Products has entered the North American energy market through a partnership with Joliet since 2002, and has delivered approximately 1,100 large motors. Through this acquisition, Hitachi Industrial Products will acquire a local maintenance service base in advance of a significant increase in maintenance for delivered products. Hitachi Industrial Products will also collaborate with Joliet to provide maintenance service operations for approximately 7,000 wind farm generators and large motors installed in Hitachi Group products in North America. By leveraging Joliet's sales channels, Hitachi Industrial Products aims to accelerate the transition from fossil fuel-powered engines to electrification products and contribute to the reduction of CO<sub>2</sub> emissions from energy sources by developing and providing electrification products that meet customer needs for use in the upstream and downstream processes of energy resources, from drilling, refining, storage and transportation.

Furthermore, Hitachi Industrial Products will propose the replacement to high-efficiency equipment, through the repair and rebuild business which is Joliet's strength including products manufactured by other companies and will also expand recurring business by managing CO<sub>2</sub> emissions, collection, and re-manufacturing/reuse. In the future, Hitachi Industrial Products aims to collect operational data from electrification products through sensing devices and utilize Hitachi Group's Lumada\*<sup>2</sup> to develop applications for maintenance engineers. Additionally, based on the knowledge and data obtained through maintenance services, Hitachi Industrial Products will grasp the potential needs of customers and propose equipment designs and energy optimization operations utilizing AI.



\*2 Lumada: A collective term for solutions, services and technologies using Hitachi's advanced digital technologies to generate value from customer data and accelerate digital innovation <https://www.hitachi.com/products/it/lumada/global/en/index.html>

**■ Comment from Jun Abe, Representative Executive Officer, Executive Vice President and Executive Officer, General Manager of Connective Industries Division, Hitachi**

"I am very pleased to welcome Joliet to the Hitachi Group. The Hitachi Group aims to contribute to the realization of a sustainable society through its "Social Innovation Business," which leverages its strengths in IT, OT, and products to solve customer and societal challenges. As global warming has progressed, the demand for electrification in various industries has increased towards achieving a decarbonized society, and motors, which are key products for this purpose, hold a strategic position for the Hitachi Group. In the future, together with Joliet, the Hitachi Group will strengthen and expand its recurring business in the energy market across the entire value chain of large motors and contribute to the preservation of the global environment by leveraging Hitachi Group's digital technologies."

**■ Comment from Keizo Kobayashi, President and Director, Hitachi Industrial Products**

The first transaction between Joliet, which has been involved in the maintenance service business for large motors in the heavy industry sector in the North American energy market for 90 years, and Hitachi dates back to 1968. Both companies, connected through large motors, will leverage their respective strengths in the energy market during the transitional period towards energy transition. Hitachi Industrial Products will develop and manufacture high-efficiency electric products and sell them together with Joliet. Furthermore, by utilizing Joliet's expertise in repair and rebuild, Hitachi Industrial Products will collect, analyze, and utilize operational data of the products to provide optimal equipment, thus establishing a recurring business cycle.

**■ Comment from Tim Tibbott, CEO, Joliet Electric Motors, LLC**

We are thrilled to continue our 57-year collaboration with Hitachi, Joliet Team. I believe by working together, we can offer important electrification solutions and create value for our customers in the heavy industries and energy market. Furthermore, I want to express my gratitude to Argosy on behalf of the whole Joliet Electric Motors team. We appreciate the 16 years of unwavering leadership and support.

## ■ Joliet Electric Motors Overview

Name	Joliet Electric Motors, LLC
Location	Joliet, IL (the United States)
Head Office	Joliet, IL (the United States)
Representative	CEO:Tim Tibbott
Outline of Business	Sales of products and solutions for the energy market, Repair and maintenance of large motors
No. of Employees	Approx. 45(As of 2024/Nov)
Founded	1934 as Joliet Equipment Corporation
WEB site	<a href="https://www.jolietelectricmotors.com/">https://www.jolietelectricmotors.com/</a>

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### **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 3 business sectors 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 revenues as 3 sectors for fiscal year 2023 (ended March 31, 2024) totaled 8,564.3 billion yen, with 573 consolidated subsidiaries and approximately 270,000 employees worldwide. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

### **About Hitachi Industrial Products, Ltd.**

Hitachi Industrial Products contributes to improving social, environmental values of our customers throughout the product business in Connective Industries sector in Hitachi that digitally connects products in a wide range of fields such as industrial distribution, water infrastructure, healthcare, home appliances, air conditioning systems, measurement, analysis systems, and building systems. For details, please visit the Hitachi Industrial Products, Ltd. website(<https://www.hitachi-ip.com/>)

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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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