

News Release

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Why social innovation is a crucial strategy for Vietnam and ASEAN

Hitachi leadership sees opportunity to deliver sustainable solutions to Vietnam's cities and communities

Hanoi, December 14, 2018 – There is a tremendous opportunity to address challenges faced by Vietnam's cities through social innovation, digital technology and collaboration of the public and private sectors. And the result will be improved quality of life for all, and significant improvement in efficient use of Vietnam's resources.

This was the major theme shared at the Hitachi Social Innovation Forum (HSIF) in Hanoi, which took place today. This was the second time the forum was hosted in Vietnam. The event is designed to build dialogue on the topic of smart community building and the concept of 'Collaborative Creation'.

"Social innovation that helps Vietnamese society is Hitachi's way forward, and to address the societal needs, in particular for Vietnam's cities and communities, we need to work together with our partners in Vietnam's government to make this happen," said Mr. Kazunori Sudo, General Director of Hitachi Asia (Vietnam) Co Ltd.

Today, Hitachi employs over 3,500 people across 9 companies¹ in Vietnam and leads a variety of industries such as infrastructure development, e-payment, e-government, smart factory, healthcare, home appliances, among others.

One of the projects Hitachi highlights is the development of a wastewater treatment plant in Ho Chi Minh City (HCMC), the largest wastewater treatment facility in Vietnam, which not only improves quality of life for residents of HCMC, but also supports the environment by improving efficiency of water use.

"We really view everything through the lens of social innovation – and this means that everything we do should improve quality of life of Vietnamese people, take care of the

¹ Figures accurate as of 31 October 2018.

environment and utilise every resource efficiently,” said Mr. Sudo.

Solutions from Hitachi aim to help Vietnam grow in sustainable way addressing environment and energy challenges.

Hitachi’s Social Innovation strategy is also being implemented across the ASEAN region. The goal is to boost value in the region and strengthen each ASEAN member country’s key competitiveness through innovation and technology. Hitachi Group will invest a capital expenditure of 420 billion yen or \$3.7 billion US dollars² globally in FY2018. The investment is focused on digital solutions and technologies.

Mr. Sudo said that through collaboration, social innovation and technology, Vietnam and the ASEAN region will address and find solutions to many of the challenges facing society, including climate change impacts and sustainable economic development.

“Hitachi aims to work with stakeholders in Vietnam to help the country reach its potential not only as a great economy in ASEAN, but also as a great place for Vietnamese people and their communities,” he said. “I hope that we can collaborate more with Vietnamese leaders and Vietnamese people to contribute to the industries of the future. We are excited about solving societal issues and creating great projects together with community leaders and the public sector.”

Mr. Kosuke Horiuchi, Managing Director of Hitachi Asia Ltd, echoed this sentiment. “We bring a spirit of cooperation and collaboration to our work in Vietnam. This is the best way forward for our business and for the future of Vietnam. We believe social innovation is the right answer to many of the major challenges we face today. We are confident that together we can all find a great way forward.”

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² Figure calculated based on an exchange rate of 1 Japanese Yen = 0.008810 United States Dollar

About Hitachi Asia Ltd.

Hitachi Asia Ltd., a subsidiary of Hitachi, Ltd., is headquartered in Singapore. With offices across seven Asean countries - Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam - the company is focused on its Social Innovation Business to answer society's challenges. Hitachi Asia and its subsidiary companies offer a broad range of information & telecommunication systems, power systems, social infrastructure & industrial systems, electronic systems and equipment, construction machinery, high functional materials and components, automotive systems, home appliances and others. For more information on Hitachi Asia, please visit the company's website at <https://www.hitachi.com.sg>.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges, combining its operational technology, information technology, and products/systems. The company's consolidated revenues for fiscal 2017 (ended March 31, 2018) totaled 9,368.6 billion yen (\$88.4 billion). The Hitachi Group is an innovation partner for the IoT era, and it has approximately 307,000 employees worldwide. Through collaborative creation with customers, Hitachi is deploying Social Innovation Business using digital technologies in a broad range of sectors, including Power/Energy, Industry/Distribution/Water, Urban Development, and Finance/Social Infrastructure/Healthcare. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.