MOU signed by Changhua County Government and Hitachi, Ltd. and Agreed to Use Changhua Port for Operation and Maintenance of Changhua Offshore Wind Farm

Taipei, November, 14 2018 – Hitachi, Ltd. ("Hitachi") today announced that Hitachi and Changhua County Government, Taiwan ("CHCG") have entered into a memorandum of understanding (MOU) for the purpose of smoothly carrying out the operation and maintenance (O&M) of an offshore wind farm to be constructed in Changhua County; both parties have agreed on the use of Changhua Port and its facilities and land.

Executive Yuan has approved 4-year promotion plan of wind-power generation since August 2017 – input the resources allocation of offshore wind power infrastructure and determined Changhua Fish Port to be the operation and maintenance port, and CHCG was given the task to cooperate the polities for the renewable energy development.

In response to Taiwan renewable energy promotion and central government's policies, CHGC selected the land around 35 ha (including partial water area) within Changhua Coastal Park in conducting O&M base planning for offshore wind farm, acquiring full subsidies (420 million New Taiwan Dollar) from the Ministry of Economic Affairs (MOEA).

The Changhua Offshore Wind Farm Project is a large offshore wind farm project which Taiwan Power Company("TPC") plans to construct off the coast of Fangyuan township, Changhua County in Central Western Taiwan as part of its projects to expand renewable energy in Taiwan. Hitachi and JDN group had got contract with TPC on 30th April 2018, which is a turnkey order consortium with Jan De Nul Group for all work, including the manufacturing and installation of 21 5.2MW wind turbines (109.2MW) and 5-year O&M Service.

The consortium Jan De Nul/Hitachi has been conducting a seabed survey and geotechnical investigation in the waters since May 2018, where the wind turbines will be installed, Hitachi will begin manufacturing the turbines from 2019 to early 2020; installation of jacket foundation by Jan De Nul and tower and turbines by Hitachi will

start early of 2020. Wind Turbine Generation("WTG") system will be commissioning from 2020 summer time and end in December at the same year.

To sustain Offshore Wind Farm("OWF") operation, establish full and professional supplier chain in Taiwan, CHCG endeavor to conduct the plan of O&M Base off coast of Changhua County. The environmental variance analysis and environmental investigation work will be scheduled to complete within 2019. Revetment, Crew Transfer Vessel("CTV") Floating Terminal, digging and filling and the public piping will continuously be finished by mid of 2020, then O&M service shall start in September 2020.

Based on this MOU, Hitachi will be based on Changhua O&M Port for its use of WTG operation and maintenance, which includes the Port Facilities and Land for mooring vessels, transportation and building the storehouse; CHCG will give assistance and provision of the necessary administrative procedures for OWF operation, maintenance and transportation. Hitachi will contribute to the expansion of renewable energy in Taiwan by combining the high-quality maintenance technology and know-how in wind turbine generator systems it has been developing in the Japanese market.

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.





