

News Release

FOR IMMEDIATE RELEASE

Hitachi Acquired Additional Shares to Hold Majority of Shares of Yungtay, Elevator Company Based in Taiwan

Accelerating the global expansion strengthening its business base in China and Asia

Taipei, October 15, 2020 --- Hitachi, Ltd. (TSE: 6501; "Hitachi") today announced that it acquired 9.99%(41,080,000 shares) of all the issued shares in Yungtay Engineering Co., Ltd. (TWSE: 1507, "Yungtay"), an elevator and escalator company in Taiwan, through paired trade via Hitachi Elevator Taiwan Co., Ltd., a wholly owned subsidiary of Hitachi, to strengthen its elevators and escalators business in People's Republic of China ("China"), and Asia. Price of shares acquired is 72.0 TWD (approximately 262 JPY⁽¹⁾) per share, and approximately 3.0 billion TWD (approximately 10.8 billion JPY⁽¹⁾) in total.

Hitachi, together with its wholly owned subsidiaries, owned 41.1% (167,933,671 shares) of all the issued shares excluding treasury shares before the acquisition and increased its share holding up to 51.1% (209,013,671 shares), majority of all the issued shares through the transaction this time.

Yungtay was founded in 1966 and is the largest company in the elevator and escalator business in Taiwan region. It has also operated in Mainland China as one of the major suppliers of elevators and escalators, mainly for residential buildings. Yungtay has been a business partner of Hitachi for over 50 years since right after its foundation, with Hitachi's capital participation in 1968. Hitachi has been continuously acquiring shares of Yungtay after acquiring 28% (114,409,932 shares) of all the issued shares excluding treasury shares through its Public Tender Offer in 2019⁽²⁾.

Hitachi will accelerate the global expansion of its business with its measures including this enhancement of partnership with Yungtay, expanding new installation units through product lineup enhancement and cost competitiveness, and improve profitability through increasing maintenance units in China and Asia.

Overview of Yungtay

Corporate name	Yungtay Engineering Co., Ltd.
Headquarters	Taipei, Taiwan
Representative	Chairman: Tso Ming Hsu
Business overview	<ul style="list-style-type: none">- Design, manufacture, sales, installation, repair, maintenance of elevators & escalators, and elevator & escalator motors- Sales & maintenance of construction machinery, cranes, components etc.
Year of foundation	1966
Capital (As of December 31, 2019)	4,108.20 million TWD (Approx. JPY 15.0 billion JPY ⁽¹⁾)
Consolidated revenue	13,718.34 million TWD (Approx. JPY 49.9 billion JPY ⁽¹⁾) (CY2019)
Consolidated operating income	849.75 million TWD (Approx. JPY 3.1 billion JPY ⁽¹⁾) (CY2019)

(1) Calculation based on 1 TWD = 3.64 JPY

(2) News release dated April 23, 2019 titled "Results of Public Tender Offer for Shares of Yungtay, Elevator Company Based in Taiwan"
<http://www.hitachi.com/New/cnews/month/2019/04/190423a.html>

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is focused on its Social Innovation Business that combines information technology (IT), operational technology (OT) and products. The company's consolidated revenues for fiscal year 2019 (ended March 31, 2020) totaled 8,767.2 billion yen (\$80.4 billion), and it employed approximately 301,000 people worldwide. Hitachi drives digital innovation across five sectors – Mobility, Smart Life, Industry, Energy and IT – through Lumada, Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation. Its purpose is to deliver solutions that increase social, environmental and economic value for its customers. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

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