

FOR IMMEDIATE RELEASE

Hitachi to develop an innovative IoT platform in Isles of Scilly, UK

*UK home energy leaders Moixa and PassivSystems will support
Smart Islands Programme to deliver social innovation
and build a new replicable model for a low carbon community*

London, March 15th, 2017 --- Hitachi Europe Ltd., a wholly owned subsidiary of Hitachi Ltd. today announced that it will develop and deploy an innovative IoT (Internet of Things) platform in Isles of Scilly, demonstrating how an individual community can build a replicable and scalable model to rapidly transition from being carbon intensive to a low carbon community. Hitachi Europe will take part in a £10.8m project co-financed by the European Regional Development Fund to unlock and balance renewable energy generation, making 100 homes more energy efficient and supporting 200 businesses in Isles of Scilly and in Cornwall, whilst reducing fuel poverty through the use of innovative technologies.

The project will accommodate new renewable energy generation on the islands by using smart heating technologies, battery storage and electric vehicles. Through the deployment of smart solutions across the islands' infrastructure, Hitachi Europe will demonstrate the potential of the UK to take a lead role in this area to inform the UK's industrial strategy as well as to ensure a sustainable future for many regions of the UK and beyond.

Working with leading UK home smart energy companies and local partners Hitachi Europe will lead the project delivery. Hitachi Europe will bring a global portfolio of expertise, leveraging key learning from two of Hitachi's former Smart Communities and Smart Energy demonstration projects in Greater Manchester and Hawaii spearheaded by Japan's New Energy and Industrial Technology Development Organization (NEDO).

PassivSystems, the leading home energy services company, will supply the home energy management systems for domestic buildings that will manage the demand-side

interactions of connected assets with the island's energy system and building energy monitoring systems for commercial properties.

Moixa, the UK's leading smart home battery company, will supply systems to allow home batteries and electric vehicle batteries to be managed by the IoT platform and support the islands' energy system.

Kazuo Abe, Managing Director at Hitachi Europe Ltd., said: "We are making it simpler to deploy digital solutions as we get started with IoT in the UK. This project is a priority for our social innovation business; we must start satisfying customer demand to play a relevant role in decarbonising the economy."

Andres Larriera, a Hitachi Europe Executive and Head of Smart Cities Energy Group, added: "Hitachi is proud to lead this truly innovative project in collaboration with the Smart Islands Partnership and UK smart energy pioneers Moixa and PassivSystems. This is a key investment area for Hitachi Europe Ltd. and puts us in an ideal position to build IoT engineering capabilities in the UK to deploy digital solutions globally."

Colin Calder, PassivSystems CEO, said "Demand forecasting and orchestrated control of heating, storage and generation in homes is essential to deliver the flexibility needed for a low-carbon energy system. PassivSystems is delivering the technology required to unlock the value of this flexibility for energy consumers."

Chris Wright, Moixa Chief Technology Officer, said: "This project will show how home batteries and ElectricVehicles, controlled by smart software, can support a reliable, cost-effective, low-carbon energy system that delivers major savings to homeowners and the community."

Amanda Martin, Chairman of the Council of Isles of Scilly, said: "The Council of the Isles of Scilly, on behalf of the Smart Islands Partnership, welcomes the commencement of the Smart Energy Islands project, which will underpin the Smart Islands programme in Scilly. Smart Islands aims to deliver the Isles of Scilly's main infrastructure and energy requirements in a sustainable and affordable way, whilst providing social benefits such as skills training and innovative healthcare solutions."

Notes to Editors:

- The project is receiving up to £8,637,179 of funding from the England European Regional Development Fund as part of the European Structural and Investment Funds Growth Programme 2014-2020. The Department for Communities and Local Government (and in London the intermediate body Greater London Authority) is the Managing Authority for European Regional Development Fund. Established by the European Union, the European Regional Development Fund helps local areas stimulate their economic development by investing in projects which will support innovation, businesses, create jobs and local community regenerations.

For more information visit <https://www.gov.uk/european-growth-funding>

- Hitachi Europe's Smart Cities Energy Group (SCEG) is an innovative business and technology venture operating as the UK extension of Hitachi Ltd's IoT Business Promotion Division. As a global entrepreneurial team, SCEG delivers social innovation projects in the UK with a focus on Cities, IoT, Resource Management and Mobility powered by Big Data Analytics.

About Hitachi Europe Ltd.

Hitachi Europe Ltd., a subsidiary of Hitachi, Ltd., is headquartered in Maidenhead, UK. The company is focused on its Social Innovation Business - delivering innovations that answer society's challenges. Hitachi Europe and its subsidiary companies offers a broad range of information & telecommunication systems; rail systems, power and industrial systems; industrial components & equipment; automotive systems, digital media & consumer products and others with operations and research & development Laboratories across EMEA. For more information, visit <http://www.hitachi.eu>.

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