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ENTEAGA and Hitachi enter Development Partnership

Darmstadt and Tokyo, 13th March 2017 - ENTEGA AG and Hitachi Europe Ltd., a subsidiary of Hitachi, Ltd. (TSE:6501), today announced that they have decided to enter a development partnership to further increase the capabilities of the two companies in the areas of operational optimization for technical equipment and automated energy trading.

The increase of renewable energy and distributed energy resources are driving energy system changes. Energy providers need more efficient and profitable operations for customer services. The goal of the partnership is the application and further development of a Hitachi solution to control the optimal use of electricity and heat generation systems, taking into account real-time market data and the execution of the optimization recommendations of the software via automatic algorithmic trade in real time.

Citiworks AG, a subsidiary of ENTEGA, which takes on operational leadership in terms of commercial market access, incorporates the experience gained from the introduction of fully automated algorithmic trading in the spot markets and the marketing of system services.

Hitachi brings its comprehensive optimization expertise together with the many years of experience in the field of energy generation and distribution systems, trade optimization, data analytics and machine learning, as well as in the development of control software into the project and is the licensor of the software.

The duration of the project is six months. After that, Hitachi will offer the solution in the market, and citiworks will integrate the solution into the company's service portfolio, offer it to interested customers and use it for its own optimization.

About ENTEGA AG

ENTEGA AG is one of the biggest regional utilities and one of the biggest suppliers of CO₂-neutral energy in Germany. The company's main shareholder is the innovative City of Darmstadt. The company is active by its subsidiaries at the business units Energy Generation, Energy Trading, Energy Retail, Grids, public-sector operations and Shared Services. ENTEGA AG implements a sustainable strategy approach consequently and was awarded 2013 with the prestigious „Deutschen Nachhaltigkeitspreis“ (German Award for Sustainability).

About citiworks AG

The ENTEGA subsidiary citiworks AG is a leading energy trading and energy service company for the German energy market. The Company is a service providing partner for the energy industry and energy-intensive industrial customers. Core business is the trading of energy, portfolio-management, balance-group management and related services.

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, financial services; digital media & consumer products and others with operations and research & development Laboratories across EMEA.

For more information, visit <http://www.hitachi.eu>.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges. The company's consolidated revenues for fiscal 2015 (ended March 31, 2016) totaled 10,034.3 billion yen (\$88.8 billion). The Hitachi Group is a global leader in the Social Innovation Business, and it has approximately 335,000 employees worldwide. Through collaborative creation, Hitachi is providing solutions to customers in a broad range of sectors, including Power / Energy, Industry / Distribution / Water, Urban Development, and Finance / Government & Public / Healthcare. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.