

News Release

FOR IMMEDIATE RELEASE

Hitachi's Omika Works Recognized as an “Advanced 4th Industrial Revolution Lighthouse” by the World Economic Forum

Hitachi is first Japanese company to be listed



Omika Works

Tokyo, January 10, 2020 – Hitachi, Ltd. (TSE: 6501, “Hitachi”) today announced that the Omika Works, which manufactures information control systems for social infrastructure systems and industries, was recognized by the World Economic Forum (“WEF”) as a Lighthouse advanced factory.

The Omika Works is a factory showcasing Hitachi’s Lumada⁽¹⁾ solutions which combines OT⁽²⁾, IT and products. It has been solving issues and creating new businesses by mobilizing its technologies and expertise in a variety of fields leading to total optimization and sophistication in the entire value chain which were recognized by WEF.

The Omika Works is the first factory of a Japanese company to be recognized as a manufacturing Lighthouse. There will be sessions for Lighthouse at the WEF Annual Meeting (the Davos Conference) to be held in Davos, Switzerland, from January 21 to January 24, 2020.

Since 2018, the WEF has been recognizing and announcing the most advanced factories that are world leaders in the adoption and integration of the cutting-edge technologies of the Fourth Industrial Revolution as Lighthouses.

From the start of operations in 1969, the Omika Works has been providing information control systems for important social infrastructure systems, such as railway, electricity, water supply and sewerage. It has been engaged in the design, development and

manufacturing of hardware and software as well as the maintenance and operation of customers' systems. The Omika Works has expertise in high-mix, low-volume production tailored to the individual needs of customers. Onsite improvement activities has been pursued for years to achieve the mass customization with productivity equivalent to mass production and the reliability required for mission-critical systems at the same time.

The Omika Works was identified as a Lighthouse because of its years of efforts to contribute to the stable supply and operation of critical social infrastructure systems by achieving optimization in the entire value chain ranging from the development and design of hardware and software to operation and maintenance after delivery with digital solutions leveraging IoT technologies and data analysis expertise.

It was recognized for total optimization and sophistication using digital technologies, such as the establishment of a high-efficiency production model⁽³⁾ including the reduction of production lead time utilizing IoT in the design and manufacturing of hardware, the realization of highly reliable and scalable systems with an autonomous decentralized framework in the design and development of software, strict quality control utilizing digital twin simulator, and maintenance support by the cyber security training service and the stable operation service.

Hitachi is providing Lumada solutions globally to drive digital innovation of customers by utilizing its 110 years of OT expertise and advanced digital technologies such as AI. Hitachi will continue to contribute to the realization of a sustainable society and the achievement of SDGs⁽⁴⁾ by sharing Omika Works' know-how with customers and partners to solve issues through collaborative creation.

- (1) Lumada : Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation
- (2) OT: Operational Technology
- (3) Hitachi Establishes High-Efficiency Production Model Using IoT at Omika Works (News release on October 25, 2016)
<https://www.hitachi.com/New/cnews/month/2016/10/161025.html>
- (4) SDGs: Of the 17 global goals of the Sustainable Development Goals (SDGs) announced by the United Nations in 2015, the Hitachi Group is focusing on achieving five goals to which it will greatly contribute through its business strategy and six goals to which it will contribute through corporate commitment.

Overview of Omika Works

Established	1969
Address	5-2-1 Omikacho, Hitachi-shi, Ibaraki, Japan
Site area	201,000 m ²
Business summary	Development and provision of information control systems for the social infrastructure and other fields Engaging in the design and manufacturing of technologies and components of information control systems to the coordination of entire systems, quality control by system testing, and operation and maintenance in an integrated manner
Employees	Approximately 2,450 people

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is focusing on Social Innovation Business combining its operational technology, information technology and products. The company's consolidated revenues for fiscal 2018 (ended March 31, 2019) totaled 9,480.6 billion yen (\$85.4 billion), and the company has approximately 296,000 employees worldwide. Hitachi delivers digital solutions utilizing Lumada in five sectors including Mobility, Smart Life, Industry, Energy and IT, to increase our customer's social, environmental and economic value. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

###