

Hitachi Group Activities in Southern Africa

Expanding Social Infrastructure Business

&

Expectation to Development Financing Institutions

June 2013

Koji TANAKA
Executive Vice President and Executive Officer
Hitachi, Ltd.

Corporate Foundation

Founded in 1910 as a machine repair shop at Kuhara Mining Company in Hitachi City, Ibaraki Prefecture, Japan

Corporate Credo	Contribute to society through the development of superior, original technology and products
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Hitachi Founding Spirit	“Harmony” “Sincerity” and “Pioneering spirit”
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Founder Namihei Odaira

Total Revenue & Number of employees*

Total Revenue (FY 2012)	109 Billion US\$ (JPY 9,041 Billion)
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Number of Employees (World Wide)	323,540
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Number of Group Company	940
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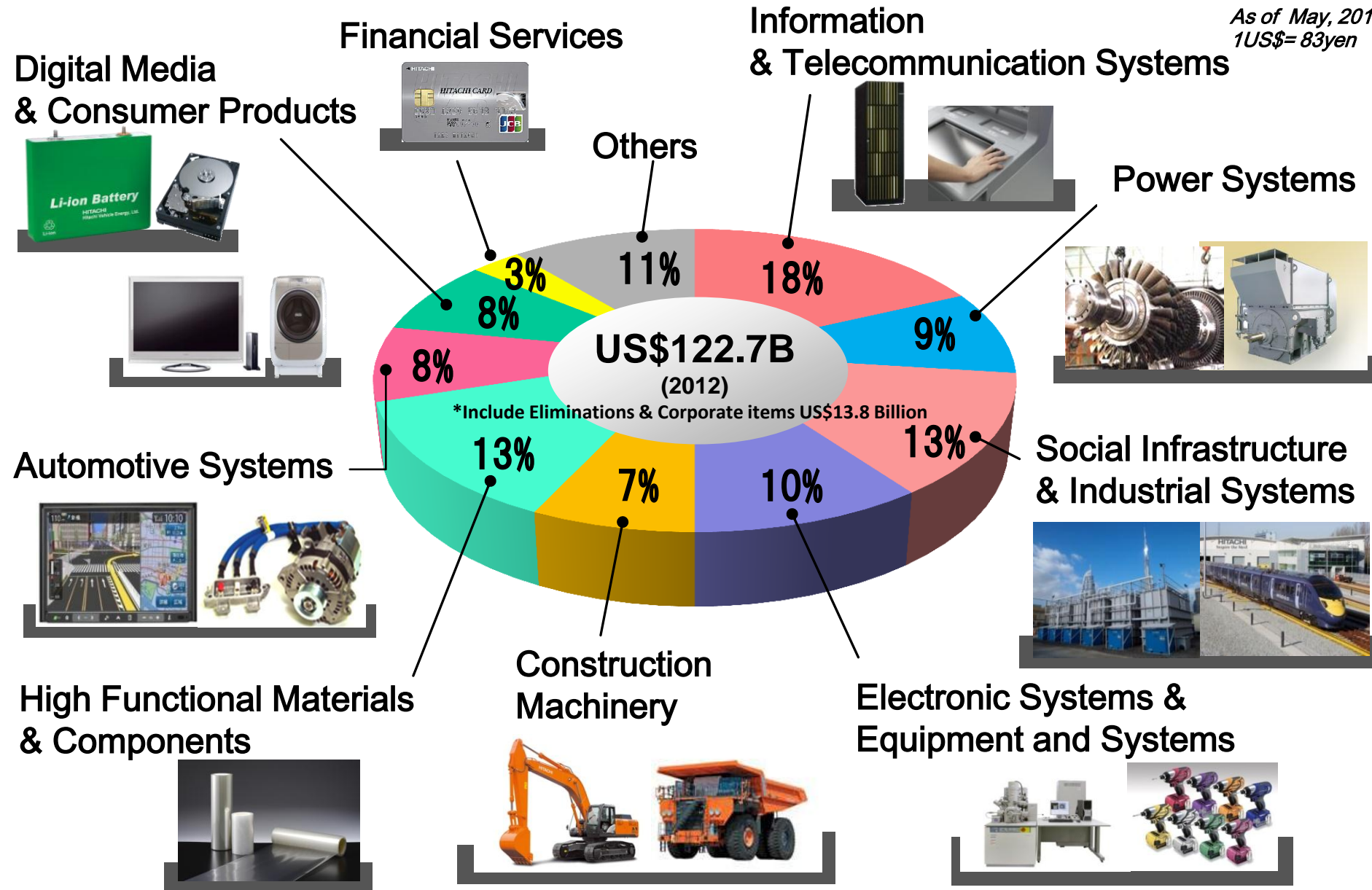


Original repair shop
in Ibaraki (1910)

*As of May, 2013

1.2 Hitachi Group - Revenue by Business Segment

As of May, 2013
1US\$= 83yen



Social Innovation Business

Social
Infrastructure



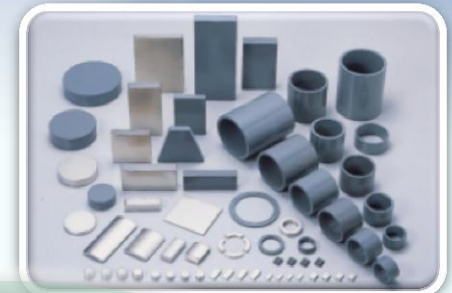
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Information &
Telecommunication
Systems



Infrastructure
Systems



High Functional Materials
& Components



Power
Systems

Construction
Machinery



2.1 Hitachi in Southern Africa

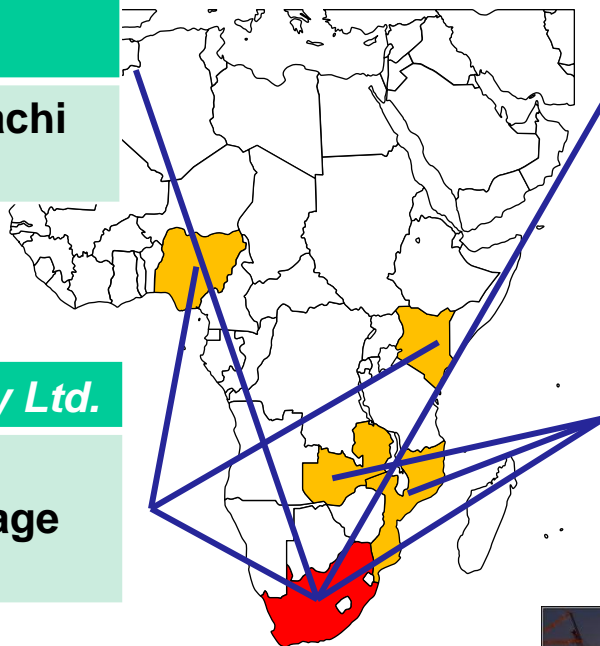
- 50 years in Southern Africa
- 4 Business Operations / Total approx 1,200 employees

**Hitachi Europe Ltd.
Johannesburg Office**

**Expanding Sales of Hitachi
Products**

Shoden Data System Pty Ltd.

**Sales and Service IT
equipment such as storage
and server**



Hitachi Power Africa Pty Ltd.

**Sales and Service of Power
Generating Facility**

**Hitachi Construction Machinery
Africa Pty. Ltd.**

**Sales, Distribution and Service
of Construction & Mining
Machinery**

***3 local companies in South Africa,
Mozambique and Zambia**



Commuter Trains



**Construction & Mining
Machinery**

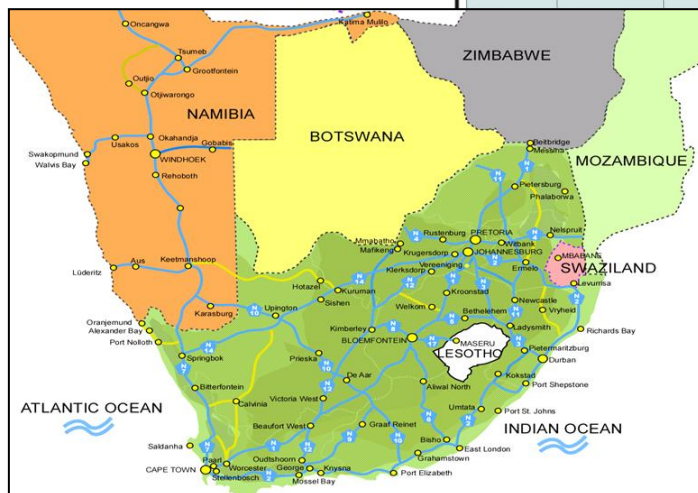


Power Station



**Chillers for
Underground Mining**

Hitachi Johannesburg Office (Currently HITACHI EUROPE LTD. JOHANNESBURG OFFICE) Establishment: November 1963



Present Target Business

- Water Treatment
- Power Transmission & Distribution
- Saving Energy
- ICT
- Railway

2.3 Hitachi Power Systems

- Extensive experience in African market -

Continuous contribution through installation of high-efficiency & environment-conscious electricity infrastructure, such as gas turbines, coal-fired power plants, renewable energy, power distribution, etc.

Sub-Saharan Region

Ghana

64 Akosombo 158MW- HTB x 6

Nigeria

76/82 Kainji/Jebba 115MVA- HGEN x 10

85 Lagos 220MW BTG x 6

04 Delta 3 H25 x 6

06 Lagos Maintenance

10 Lagos/Jebba Maintenance

South Africa

77 Vanderkloof 135MW HTB x 2

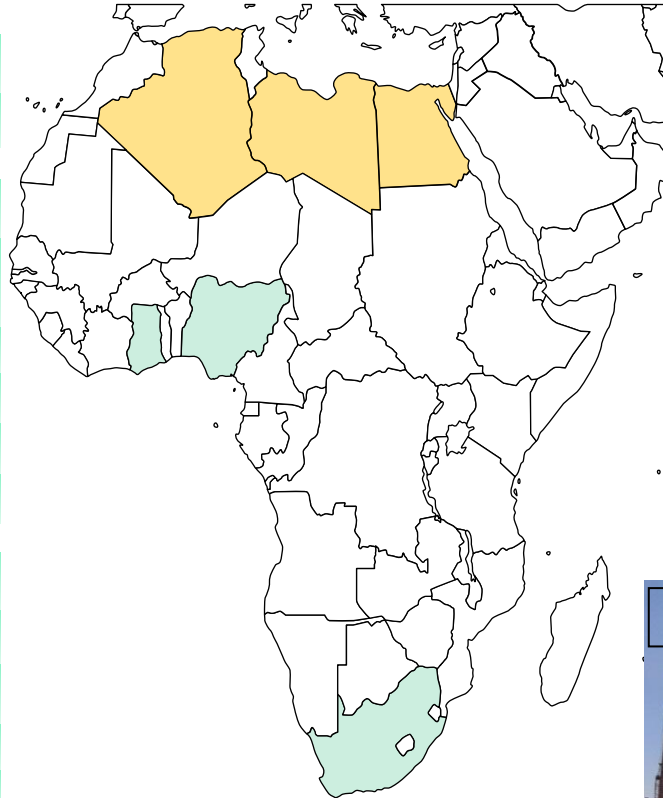
81 Drakensberg 300MW HTB x 1

07 Medupi 800MW BLR x 6

08 Kusile 800MW BLR x 6

11 F/S(NEDO) H-25 Cogeneration

12 F/S(JETRO) H-25 Cogeneration



Egypt

02 Damietta H25 x 5

05 Kureimat 2 250MW STG x 1

06 Damietta GT Maintenance

07 Cairo West 350MW BLR x 2

09 Ain Sokhna 650MW STG x 2

Algeria

08 El Sharika H25 x 3

09 El Sharika Add H25 x 1

Libya

07 Tripoli West 350MW STG x 4

07 Al Khalij 350MW STG x 4

Medupi Site



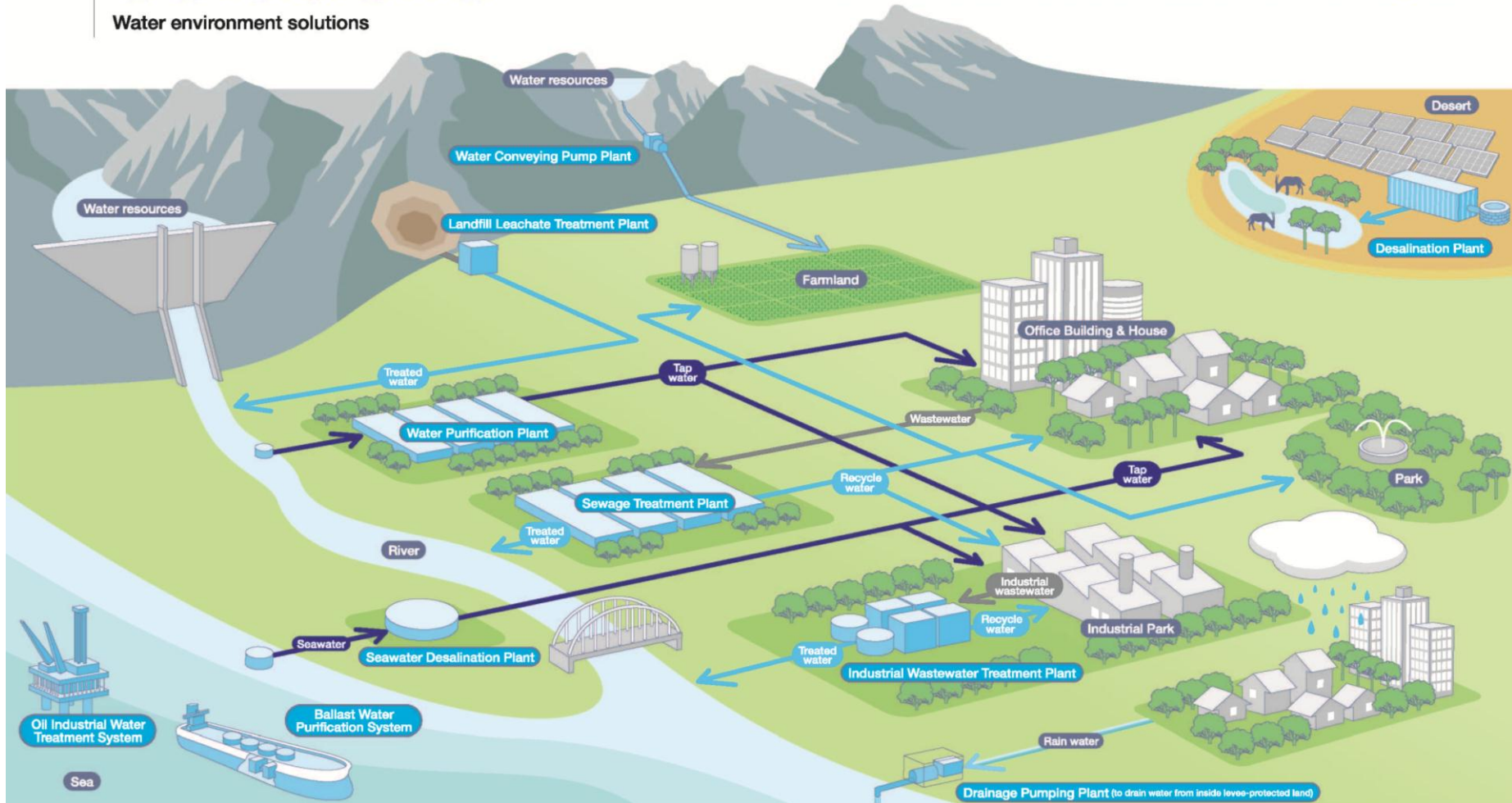
2.4 Hitachi Infrastructure Systems - Water Business in Southern Africa -

- Contribution through wide range of products and solutions. Helping to resolve water-related issues and challenges.

Solutions

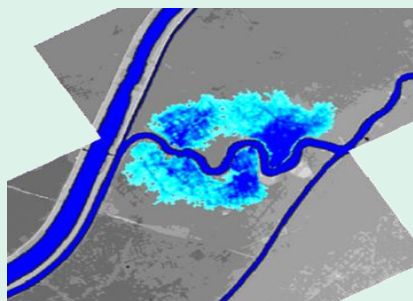
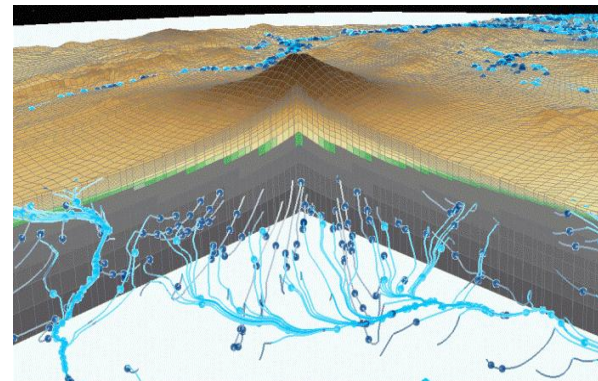
Water environment solutions

We provide sustainable Water Environment Solutions matched to the needs and characteristics of each region.

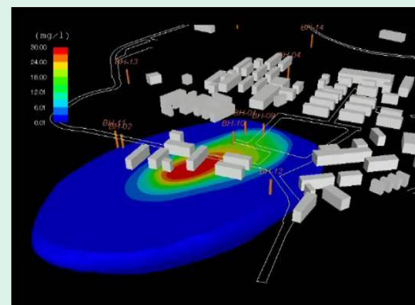


● Simultaneous calculation of groundwater and surface water

1. Prediction of potential water resource
 - ➡ planning and adopting regulation
2. Flood happening
 - ➡ support countermeasure plan and disaster defense
3. Predict polluted area from acid mine drainage
 - ➡ support planning countermeasure to avoid health hazard and further environment destruction



Prediction of flood water and inundation area by dike broken



Simulation of groundwater pollution risk

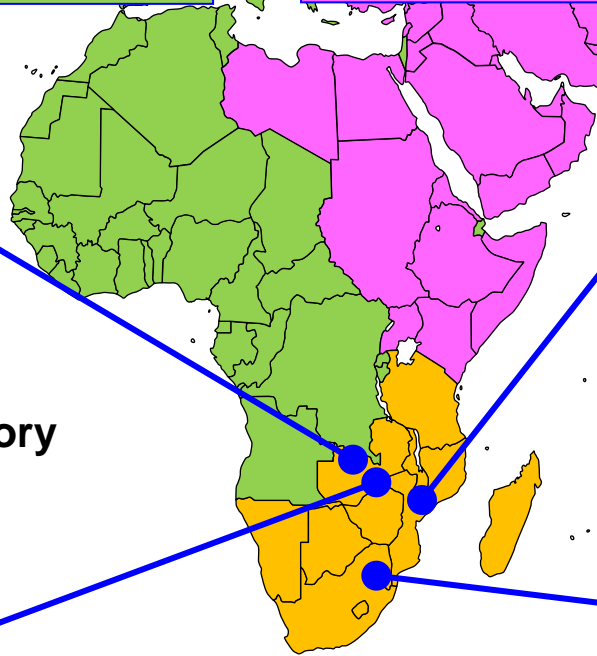
2.6 Hitachi Construction Machinery (HCM) - Activities in Southern Africa -

- Since 1963 over 4,000 units delivered / 50 years activity
- Based on localized operation includes education
On-site support in Zambia and Mozambique
Parts & Remanufacturing facility at Zambia
- North and Middle Africa covered by sales network of HCM Europe and Middle East

Hitachi Construction Machinery Zambia



HCM Europe (HCME) **HCM Middle East (HMEC)**



Hitachi Construction Machinery Mozambique



HCMZ Lusaka Remanufacturing Factory



Hitachi Construction Machinery Africa / South Africa



HCM Africa (HCAF)

● Education for Engineers and Artisans

❑ AOTS / HIDA

Technical Seminars on Power Plant Engineering

*AOTS : Association for Overseas Technical Scholarship

*HIDA : The Overseas Human Resources and Industry Development Association

❑ TUT Programme

Industry Awareness programme for young Engineers

*TUT : Tsuwane University of Technology

❑ Hitachi Scholarship

Specialized Engineering training in Japan

❑ Artisan and Engineers training through Eskom contracts

1,400 Artisans & 60 Engineers

❑ HPA Scholarship and Science Education Support

from math & science basic education to higher education

*HPA: Hitachi Power Africa Pty Ltd.

❑ DST - Hitachi joint Seminar

Technical Seminars on Hitachi's cutting edge technologies

● Small Business Development

- ❑ Setting up small Business Hub in Lephalale and Witbank

● Community Development

- ❑ Building a pre-school at Shangwane Village in Limpopo

3.2 Hitachi Group CSR Activities (2) – Construction Machinery -

Supply of Land Demining Equipment



Number of Demining machines active around the world

Angola : 12 units

Mozambique : 1 unit

Cambodia : 39 units

Vietnam : 20 units

Afghanistan : 7 units

Nicaragua : 3 units

Colombia : 2 units

Thailand : 1 unit

Supporting Non-profit Organizations



Make effective use of land after demining and support activities to foster self-sufficiency of local residents



Water well



Farming training



School construction



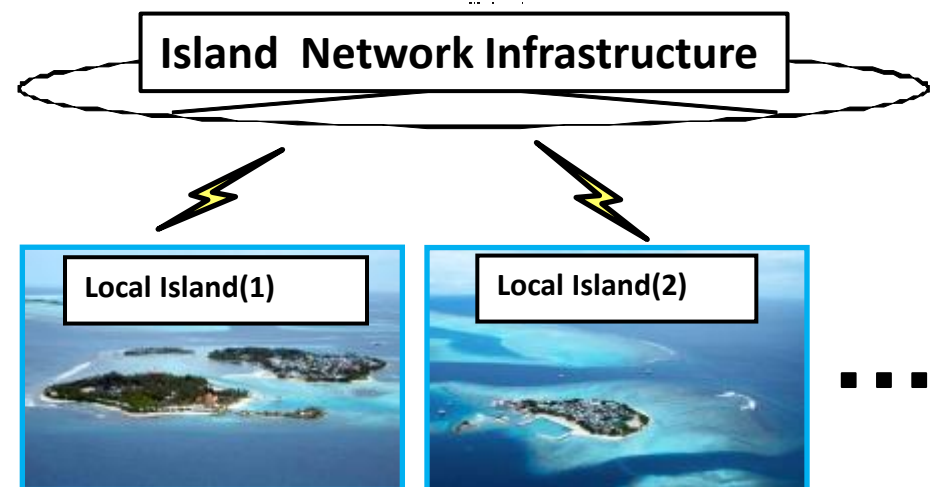
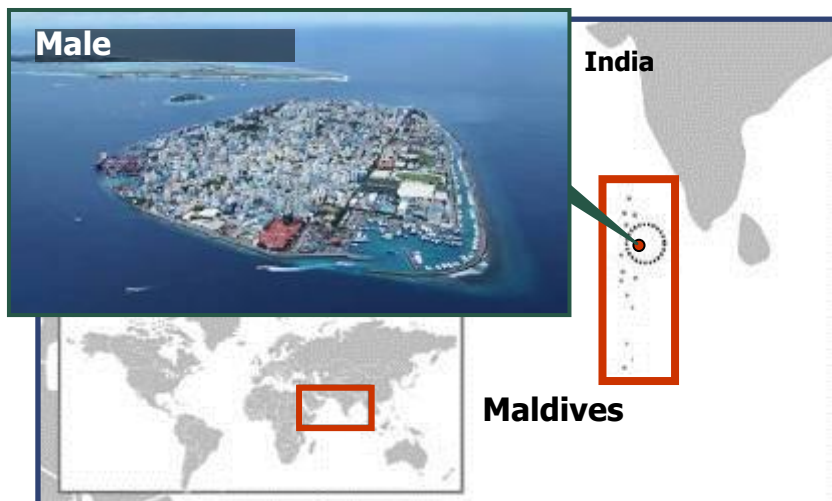
● Hitachi is operating Maldives's water supply and wastewater treatment.

Hitachi purchased a 20% share in the Maldivian company, ***“Male' Water and Sewerage Company Pvt. Ltd. (MWSC)”***.

MWSC supplies clean water to approximately 40% of the total population of the Maldives.

Improve management efficiency of MWSC by utilizing Hitachi solution

- ✓ **Geographic Information System (GIS)**
- ✓ **Island Network SCADA**

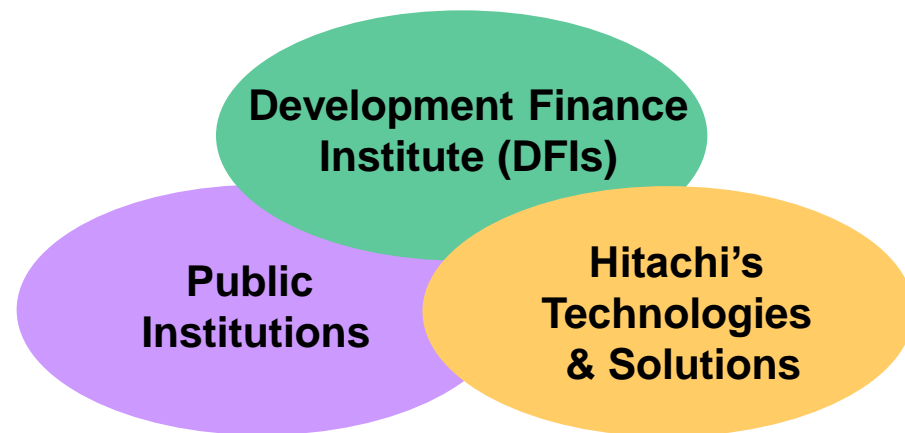


● The Preparatory Survey On Water Supply Project In New City And Industrial Parks In Northern Part Of Binh Duong Province

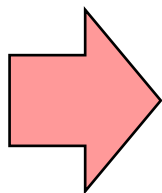
Customer	Binh Duong Water Supply Sewerage Environment Co. Ltd (BIWASE)
Project Site	Chanh Phu Hoa Commune, Ben Cat District Binh Duong Province Vietnam
Subject	Water Drinking Treatment Plant
F/S Members	Hitachi, Ltd. Nihon Suido Consultants
JICA Fund for the F/S	JPY 150 million



● PPP Project Co-development



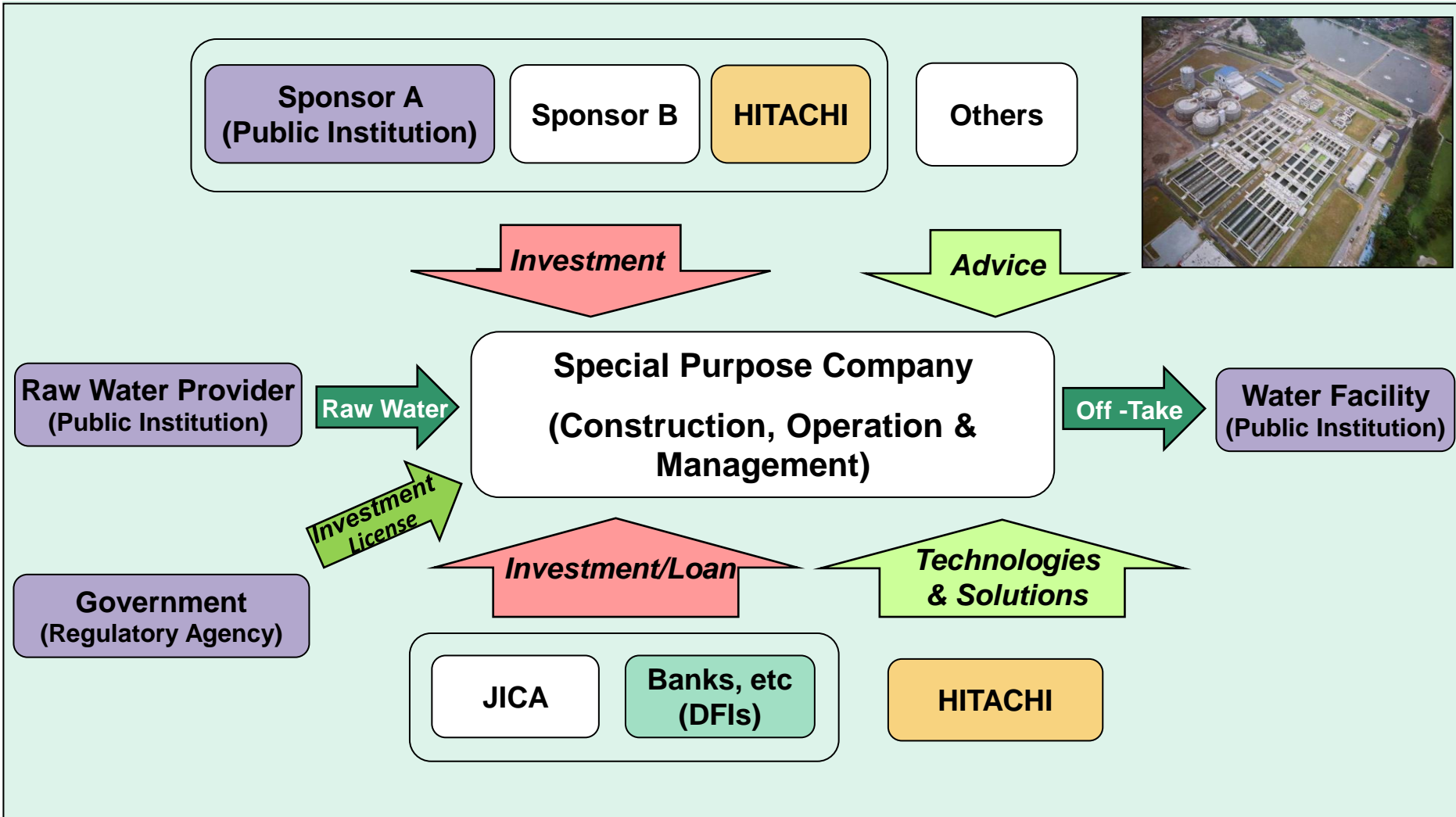
DFI's	Support formation of Projects as an investor and/or a program-holder in project subsidy schemes
Public Institutions	Strong and responsible commitment to Projects
HITACHI	Technology & Solution Provider, Capacity developer and Co-investor.



- Technology & Skill transfer to local entities and take root in society
- Sustainable Business & Operation
- Maintain safe environment & Create Healthy Life

5.2 Possible realization of Project with DFIs

● Sample case for water project



● In addition to DFIs traditional roles

❑ To foster **better collaboration**

Involve technology and partners **at earlier stage** of project development

❑ To ensure the technologies are fully **adaptable**

Develop funding schemes for **feasibility studies** and small – medium **demonstrations**

❑ To create **technology awareness**

Create forums for **knowledge sharing** among technology providers, investors and public entities

❑ To ensure that projects are **sustainable**

Initiate, plan, support and evaluate programmes for **technology transfer, skills transfer and human capacity development.**

***Hitachi delivers innovations
that answer society's challenges.***



***With our talented team and proven experience
in global markets, we aim inspire the world.***

HITACHI
Inspire the Next