

Global Reorganization to Strengthen Synergies Leveraging OT and IT

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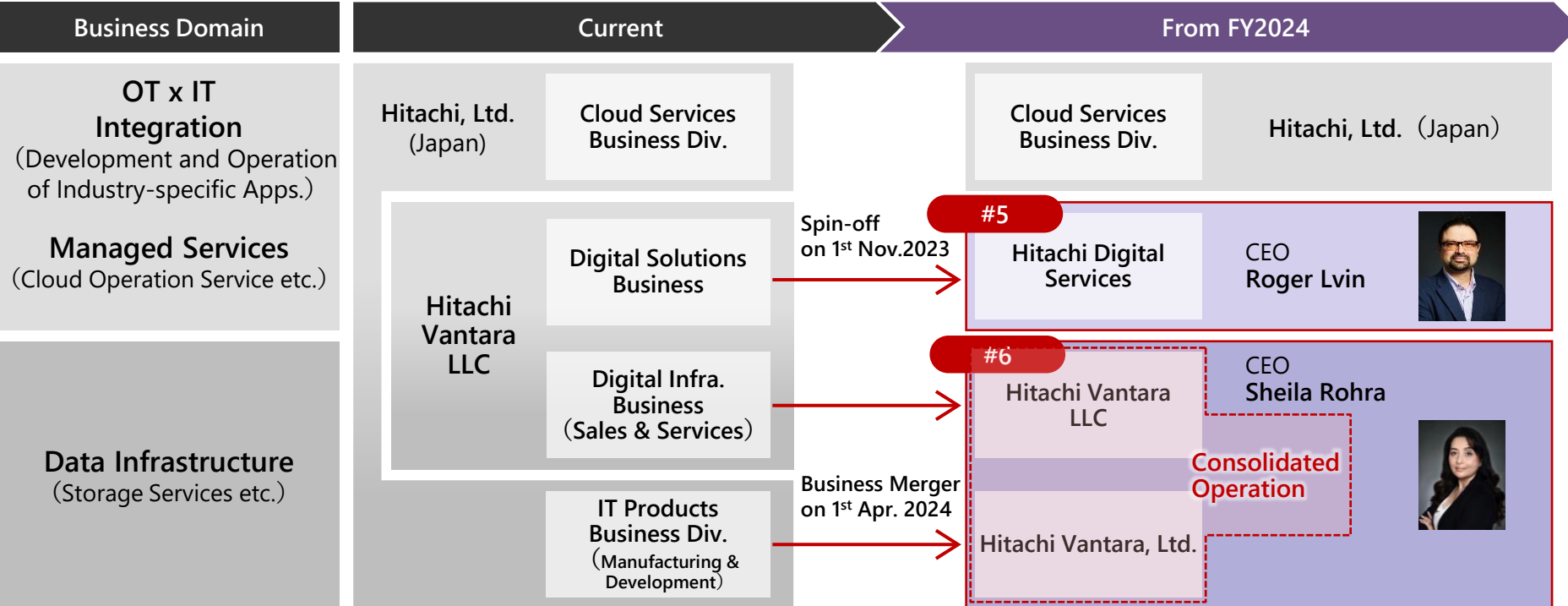
Senior Vice President and Executive Officer,
CEO of Cloud Services Platform Business Unit

Accelerate global growth by capturing demand derived from Generative AI

- 1 | Spin-off Hitachi Vantara's Digital Solutions business into a new company, Hitachi Digital Services, which provides OT and IT integration to social infrastructure and industrial customers globally. Focus investment on Generative AI.
- 2 | Integrate Hitachi Vantara with IT Products Business Div. in Japan to improve operational efficiency and strengthen data infrastructure products and services for Hybrid Cloud to Support Generative AI.
- 3 | These two companies and GlobalLogic will work together to grow the global IT services business, aiming for sales of 1 trillion yen, under a business structure that deploys "OT, IT and Products" as One Hitachi.

1. Overview of the Reorganization

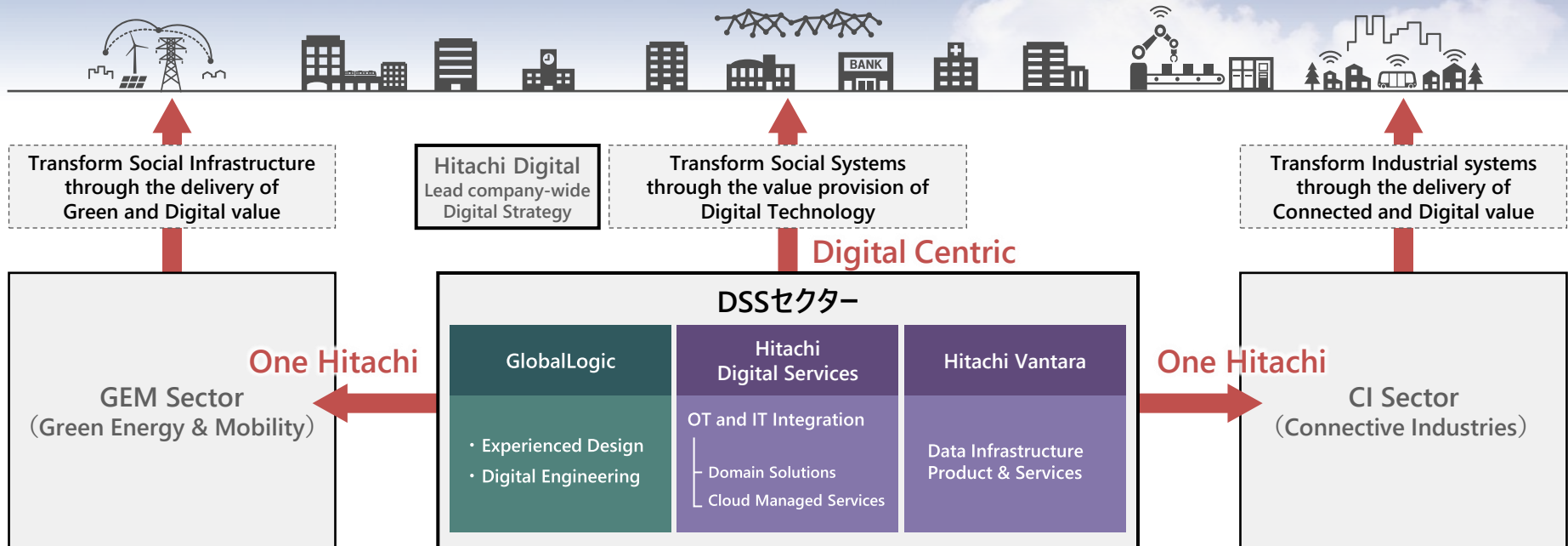
- Spin-off of Hitachi Vantara LLC's Digital Solutions Business to form Hitachi Digital Services.
- Hitachi's domestic IT products Business to spin-off into newly established Hitachi Vantara, Ltd. through a qualified reorganization.



2. Objective of the Reorganization

Global deployment of Hitachi Digital Services' domain solutions in collaboration with GEM/CI sector utilizing strength of GlobalLogic's digital engineering and Vantara's mission-critical data management.

Hitachi's Social Innovation Business to realize a sustainable society through Data and Technology.



3. Initiatives to date

Have continued investments in AI supporting enterprise data utilization and the arrival of the hybrid cloud era



Capabilities of Cloud Services Platform BU

▲Lumada Launch in May 2016

As-a-Service Model business started.

Enterprise and Hybrid Cloud Storage, Data Infrastructure for Generative AI

OT/IT Data Experience Platform and Managed Services for Hybrid Cloud

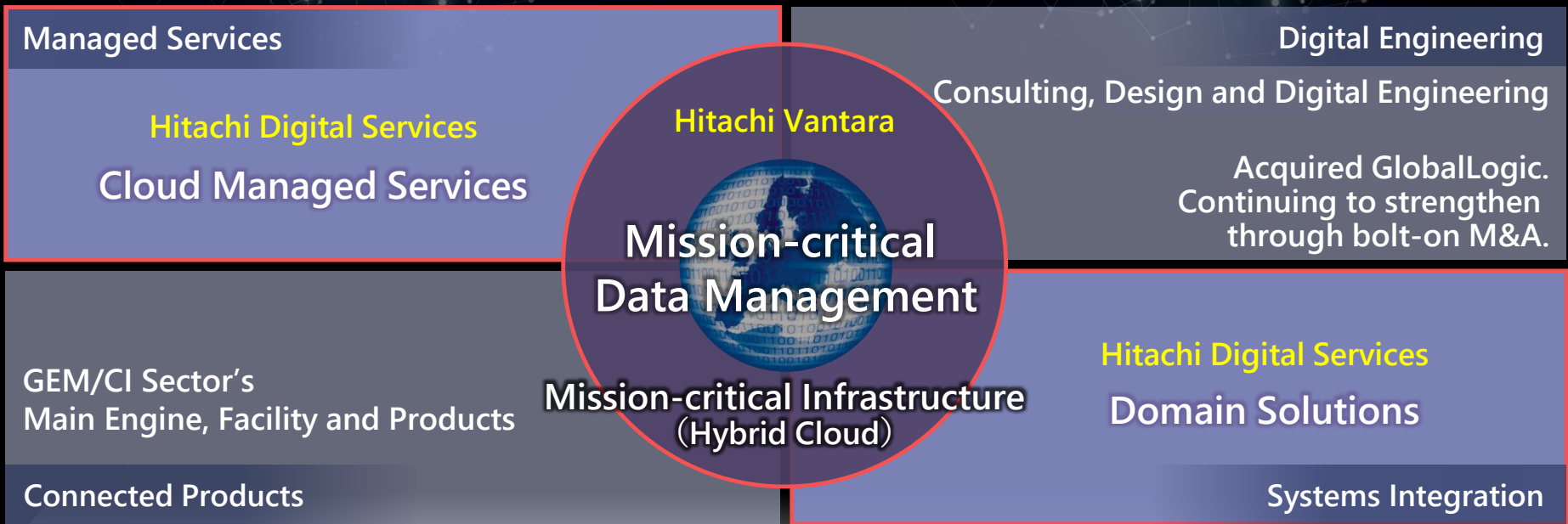
Migration/Modernization, Cloud Integration, Building Partner Ecosystem

*1 : Bloomberg Intelligence, IDC, eMarketer, Statista *2 : IDC & IMARC

4. Enhancement of Lumada Business

Incorporating innovation powered by Generative AI into Lumada co-creation approach to accelerate One Hitachi business.

Area of Enhancement by this reorganization



Generative AI Common Platform – Datacenter, Unique Model, Common Tool

- Connect and systematize group-wide OT/IT capabilities – Business practice with Hitachi Rail
- Gather the knowledge and talent of Hitachi's OT/IT to expand the integration practices



Intercity Express Programme (UK)

Service Details

Condition base maintenance with HFMT for over 240 train cars.

HFMT : Hitachi Fleet Management Tool

Value Proposition

Reduction of maintenance costs and failures caused by maintenance
Prolonging the lifespan of train cars

OT

Hitachi Rail

Insights into railway vehicles
and maintenance

OT/IT

Hitachi Digital Services

Solutions for railways maintenance
(Data Collection Method for
Train cars/ Stations/ Signaling system,
Data analytics, Cloud Integration, etc.)



5-2. Hitachi Digital Services – Cloud Managed Services

- Provide managed services for the entire business system including applications and data.
- Achieve high agility through development and operation integration, and realize operational automation and streamline by tools

Maintenance A/C Facilities for Building (US)

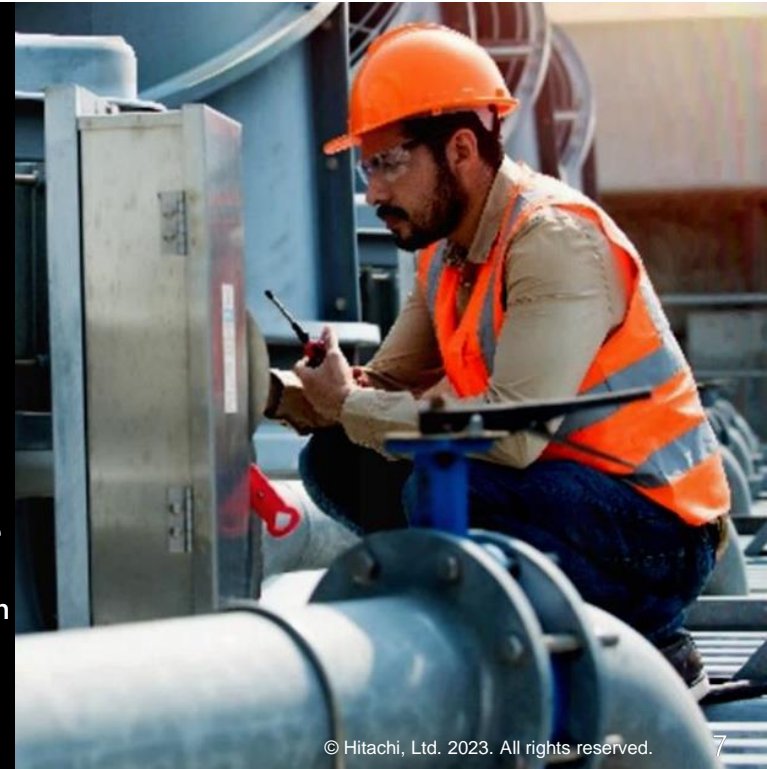
HARC service to solve system troubles and issues by building on a public cloud for on-site facility maintenance staff for 24x7 global HVAC / disaster prevention services.

Value Proposition

- Reduction of alert noise ————— Increased Availability to **99%**
- Optimizing incident management — System error **90%** Proactive response
- Automation of routine tasks ——— Tasks to be automated*1 **30%** reduction

HARC : Hitachi Application Reliability Centers

*1 : Routine operational tasks done repeatedly by manual labor



6-1. Re-aligned Hitachi Vantara – Data Infrastructure Products

The trend toward hybrid clouds, where mission-critical data is stored in the cloud and data for a variety of applications is stored in the public cloud, is accelerating with the advent of generative AI.

Data Management for Hybrid Cloud Storage

Mission-critical data
to be managed independently

On-premises/Private cloud



Hitachi Enterprise
Storage

Data to be processed/analyzed
in a variety of applications

Public cloud



Hitachi
high-reliability SDS

Cross-Cloud
Data Virtualization Technology

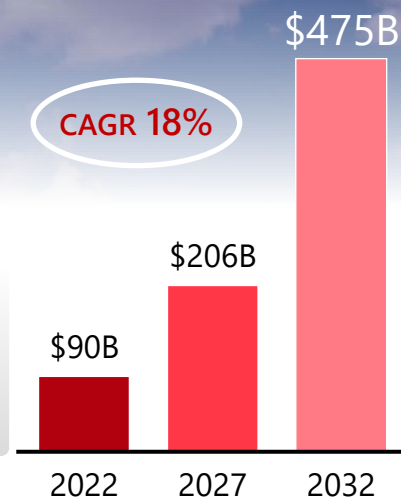


Cloud Migration
Disaster Recovery



Market Size for Hybrid Cloud

(Hitachi estimate)



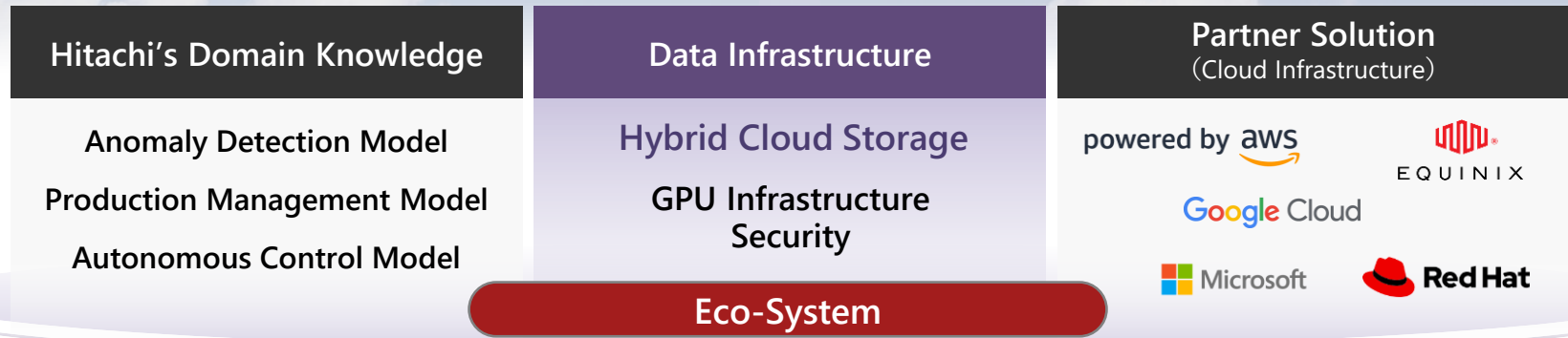
6-2. Re-aligned Hitachi Vantara – Data Infrastructure Services(1)

Providing hybrid cloud service for verticals with Hitachi's domain knowledge and partner solutions



Hybrid Cloud Solution/Service for Vertical

EverFlex from Hitachi (Delivered as-a-service model)



- Data is stored on-premises to ensure compliance with the quality of service stipulated in the contract with the customer.
- Temporary use of cloud resources to perform work in response to fluctuating workloads



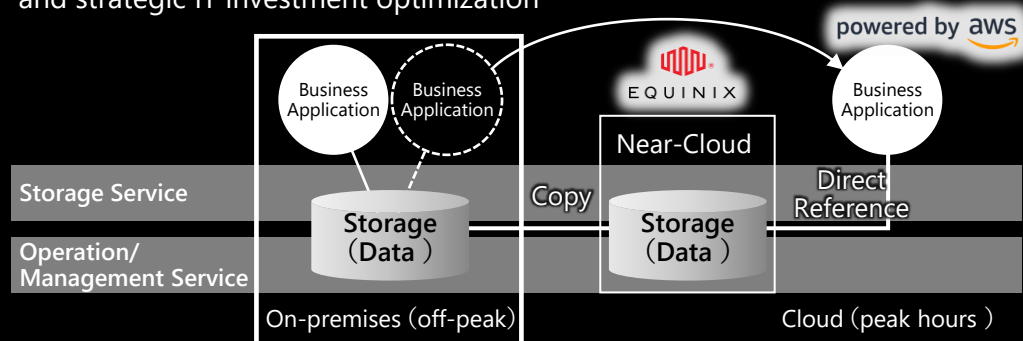
Data Infrastructure Service (Asia)

Service Details

- Storage service that allows on-premises data to be used in the cloud.
- Operational monitoring and automated operations services from on-premises to near-cloud and cloud

Value Proposition

Secure data management, easy operational management, and strategic IT investment optimization



Digital Strategy

- Pursuing the growth of the Lumada business with OT, IT and Products
- Accelerate growth of global IT services business with GlobalLogic

Digital Centric

One Hitachi

Generative AI

Hybrid Cloud

Global IT Service Business
Target sales 1 trillion yen

Hitachi Vantara

GlobalLogic

Hitachi Digital Services

Introduction of New Leaders



CEO
Hitachi Digital Services LLC
Roger Lvin

A serial business builder, driving growth and scale in the High-Tech industry with a distinguished 20+ year career in leadership roles.

Drove Hitachi Vantara Digital Solutions (DSBU) to achieve double-digit growth and improved margins, transitioning it into a profitable business during tenure as President

Experienced Fortune 500 executive adept at orchestrating holistic transformations within multi-billion-dollar corporations

- As an SVP and Business Head at Cognizant, scaled the BPO and Automation unit to a multi-billion dollar business.
- Prior served as the Head of Media and Entertainment industry practice at Cognizant.
- Held multiple senior leadership positions, showcasing a comprehensive understanding of technology consultancy and business strategy.

Mission

To transform enterprises through industry centric OT and IT integration.

CEO

Hitachi Vantara LLC

Sheila Rohra

Experienced strategist, transformation, and customer success leader with over 20 years in High Tech Leadership roles

Fortune 500 executive roles spanning strategy to execution with proven experience transforming multi-billion dollar companies:

- Senior Vice President and General Manager, Data Infrastructure Business at Hewlett Packard Enterprise
- Senior Vice President of Customer Success, NetApp
- Chief Transformation Officer, NetApp
- Business Operations Leader, Cisco

Hitachi Vantara

- President, Data Infrastructure Business at Hitachi Vantara (since July '23)
- Focused on accelerating growth through transformation and innovation with a customer-first mindset

Mission

Empowering businesses to innovate and scale through diverse and talented people who deliver data infrastructure and experiences.



President
Hitachi Vantara, Ltd. (Tentative)

Akinobu Shimada

Careers

- Apr. 1989 Joined Hitachi, Ltd.
- Apr. 2014 Senior Vice President of Corporate Strategy & Planning, Hitachi Data Systems Corporation(USA)
- Apr. 2016 Division Vice President
IT Platform Products Management Division
- Jan. 2020 Chief Product Planning Officer
Chief Product Planning Office, Hitachi Vantara LLC(USA)
- Apr. 2021 Corporate Officer/
Vice President, IT Platform Products Management Division

Mission

Centered around storage product, driving the global expansion of data infrastructure services.

A woman with her back to the camera, wearing a bright yellow jacket, stands on a grassy hill. In the background, there are several white wind turbines on a green slope. To the right, a dense city skyline with tall skyscrapers is visible under a clear blue sky. The entire scene is overlaid with a complex network of white lines and glowing blue nodes, suggesting a digital or technological theme. The text 'Hitachi Social Innovation is POWERING GOOD' is centered in the upper half of the image.

Hitachi Social Innovation is
POWERING GOOD

Appendix

Accelerate modernization of existing applications while maintaining core system stability

While inheriting legacy OLTP applications, safely and steadily convert them to microservices in stages.

Accelerate the launch of new business services

Going cloud native. I've considered it, but the man-hours and risks too big...

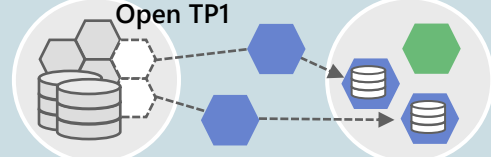
Phased migration of online transactional applications while maintaining core system **stability**



HMP-PTO Hitachi Microservices Platform
Paxos Commit Transaction Orchestrator

Ensure Transaction Consistency

Legacy Architecture Microservices Architecture



On-premises

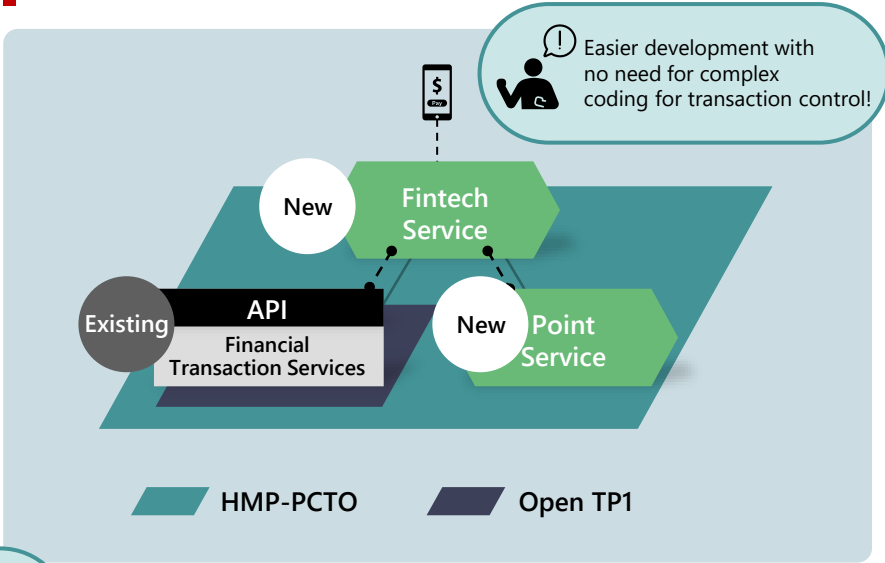
Hybrid Cloud

Control Products
[uCosminexus Open TP1]

Transaction Processes making up a transaction

I can make a gradual and safe transition in small units!
I can also achieve business improvement results quickly!

Easier development with no need for complex coding for transaction control!



Subscription-type Solution for IT infrastructure layer with "speed and flexibility", "investment optimization" and "operational sophistication and labor savings"

<h4>Migration</h4> <ul style="list-style-type: none"> <input type="checkbox"/> Legacy system <input type="checkbox"/> Virtual Machine <input type="checkbox"/> Database <input type="checkbox"/> Application 	<h4>Modernization</h4> <ul style="list-style-type: none"> <input type="checkbox"/> OSS Professional Service <input type="checkbox"/> Cloud API Management Solution <input type="checkbox"/> DevOps 	<h4>Security</h4> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Managed Security Service <input checked="" type="checkbox"/> DDoS Protection <input type="checkbox"/> Vulnerability Assessment 	<h4>Data Protection</h4> <ul style="list-style-type: none"> <input type="checkbox"/> Data Encryption <input type="checkbox"/> Ransomware <input type="checkbox"/> Backup 	<h4>Location</h4> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Facility Provision <input checked="" type="checkbox"/> Hosting Provision <input checked="" type="checkbox"/> Cloud Connect
<h4>Data Infrastructure</h4> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Hardware Infrastructure (Server/Storage/Network) 	<h4>Virtualized Infrastructure</h4> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Virtualization <input checked="" type="checkbox"/> Container <input checked="" type="checkbox"/> Azure Stack HCI <input checked="" type="checkbox"/> HCI (VMware vSAN) 	<h4>Public Cloud Integration</h4> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> VSP on cloud <input checked="" type="checkbox"/> VMC on AWS <input checked="" type="checkbox"/> Near Cloud 	<h4>Workspace Infrastructure</h4> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Consolidated Client <input checked="" type="checkbox"/> Azure Virtual Desktop <input checked="" type="checkbox"/> Zero Trust 	<h4>Mission Critical Infrastructure</h4> <ul style="list-style-type: none"> <input type="checkbox"/> High Reliability Servers (AIX/High Reliability Linux) <input type="checkbox"/> Middleware



as a Service IT Platform

EverFlex from Hitachi

Legend as a Service available

Existing Professional Service to be as a Service

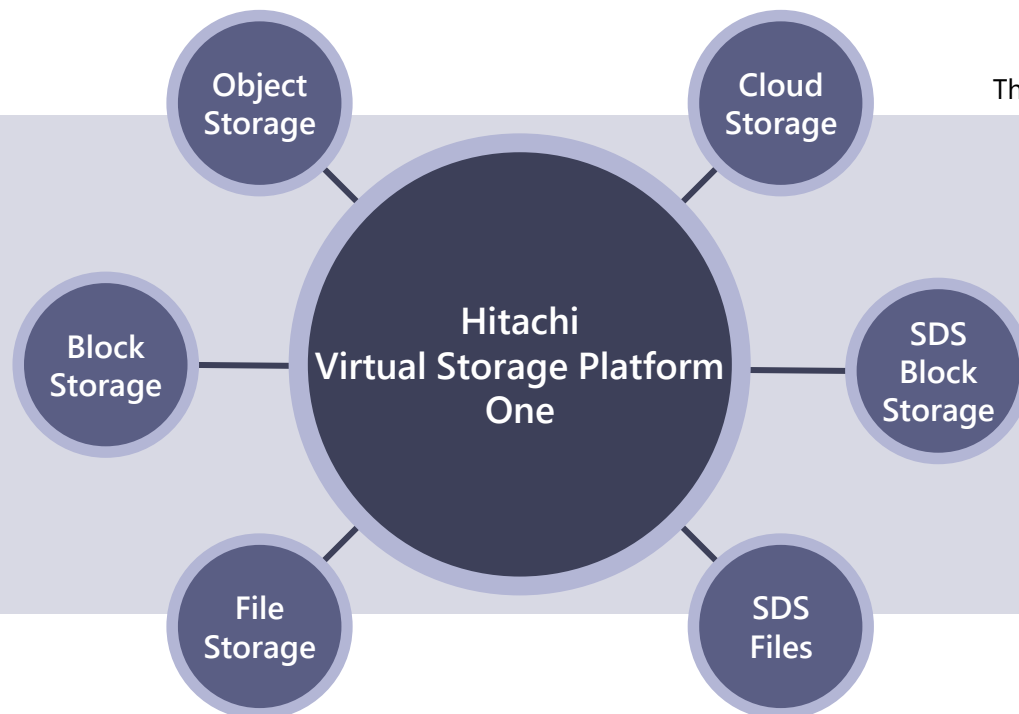
 : Added Portfolio

VSP : Virtual Storage Platform

VMC on AWS : VMware Cloud on AWS

These are the core services, and more services will be expanded sequentially.

Consolidation of various current storage products and services into “Hitachi Virtual Storage Platform One”, hybrid cloud data platform



The product offering is scheduled in 2024 for the Japanese market.

- Intelligent Workload Management
- Fostering Significant Data Accessibility
- Streamlining Operations

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