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## **News Release**

FOR IMMEDIATE RELEASE
Hitachi Triple Win Corp.
Hitachi Capital Corporation

# Announcement of Participation in Japanese Sake Production Business in Kamikawa-cho, Hokkaido

Contributing to regional revitalization through business participation in food and agriculture sector with the use of local resources

Tokyo, December 14, 2016 – Hitachi Triple Win Corp. (Managing Director: Keizou Utsunomiya, "Hitachi Triple Win"), which is a group company of Hitachi Capital Corporation (TSE: 8586) (President & CEO: Seiji Kawabe, "Hitachi Capital") and is engaged in food and agriculture business, announced its participation in Japanese sake production business in Kamikawa-cho, Kamikawa-gun, Hokkaido ("Kamikawa-cho").

Specifically, Hitachi Triple Win will participate in Japanese sake brewing and sales business through partial investment in Kamikawa Taisetsu Sake Brewery Co., Ltd. (CEO: Toshio Tsukahara). Subject to license from relevant authorities, we plan to commence full-scale brewing operation in September 2017 with an expected first-year production of approximately 60 kl of Japanese sake.

Japanese sake, made from rice, has recently been receiving a high reputation in overseas as Japanese traditional culture, and its consumption by foreign visitors is rising due to an increasing number of tourists visiting Japan. It is also expected to contribute to further expansion of exports as one of the strategic products to promote Cool Japan. On the other hand, a decline in domestic consumption of Japanese sake has led to implementation of supply and demand adjustment measures, which makes it difficult to obtain a license of liquor production.

Under those circumstances, in this project, we relocated a sake brewery in Mie prefecture, which had suspended its sake production, to Kamikawa area in Hokkaido which is located at the foot of Daisetsuzan, has abundant good quality water and is a production area of a specific type of rice ideally suitable for sake brewing, and then we applied for a permission to relocate a liquor factory. Assuming that we will obtain the production license, we are preparing for the start of full-scale operation in September 2017. There is no precedent for this type of project, and it is the first time in decades that a new sake brewery starts operation in Hokkaido.

With future global expansion in sight, we welcomed Shinji Kawabata, a winner of a gold prize at the Annual Japan Sake Awards, as *Toji* (Chief sake brewer) in order to produce world-class high quality Japanese sake. We will also strive to establish a local brand making the best use of the local resources and develop a local industry with support from Hokkaido Sake and Shochu Makers Association and Hokuren Federation of Agricultural Cooperatives.

Hitachi Capital Group has positioned "Food" as a Start-up (Green shoots) sector to be developed in Japan Business under the FY2016 – FY2018 Mid-Term Management Plan, and Hitachi Triple Win is working on developing new businesses and obtaining know-how on business operation in food and agriculture sector.

Going forward, we will work on standardization of manufacturing technology and improvement of productivity in food and agriculture sector through university-industry collaboration and utilizing cutting-edge technology including IoT (Internet of Things) and strive to contribute to regional revitalization with the use of local resources.

#### ■ Outline of Hitachi Triple Win

Name	Hitachi Triple Win Corp.
Representative	Keizo Utsunomiya, Managing Director
Location	3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, Japan
Establishment	February 2, 2000
Business description	Food and agriculture businesses,etc.
Capital	50 million yen
Major shareholder	Hitachi Capital Corporation 100%

#### ■ Outline of Kamikawa Taisetsu Sake Brewery

Name	Kamikawa Taisetsu Sake Brewery Co., Ltd.
Representative	Toshio Tsukahara, CEO
Director	Kenji Hashimoto (Hitachi Triple Win, General Manager of Food & Agriculture Business Dept.) and others
Location of headquarters	25-1, Asahimachi, Kamikawa-cho, Kamikawa-gun, Hokkaido
Date of relocation	The registration date of headquarters relocation: August 26, 2016 (Established: December 1, 1955)
Business description	Liquor production and all related businesses
Capital	180 million yen
Major shareholders	Toshio Tsukahara, Hitachi Triple Win Corp., etc.

#### ■ Contact Information

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