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Global Expansion of Energy Business —Understanding the True Needs of Business Partners—

When Hitachi Chemical became independent of Hitachi, Ltd., in 1962, it took over four products as its original products: insulation varnishes, carbon brushes, industrial laminated plates, and porcelain insulators. Based on these, Hitachi Chemical has since produced many product groups based on material technology, process (synthesis and processing) technology, and evaluation technology. Currently our business focuses on four fields: information communications, environment and energy, life sciences, and automobiles.

This current special issue examines two applications in our energy storage business, for use in industries and automobiles. One is the use of power accumulation systems, which mainly include power storage devices, such as secondary batteries and capacitors. The second is the provision of services and solutions related to the monitoring and maintenance of batteries.

Core industries, such as telecommunications and automobiles, need power storage devices, and stable growth is expected in this business field in the future. In addition, because of the increased interest in global warming in recent years, the application of these devices is expanding to new fields, for example, to introduce renewable energy and to reduce CO₂ emissions by motorization.

To develop our energy business into a new core business of Hitachi Chemical, we are working toward non-continuous growth by expanding our business from the domestic market to the global market.

As the first step in this effort, in fiscal year (FY) 2014, we established a consolidated subsidiary, Hitachi Chemical Energy Technology Co. Ltd. (hereinafter “HCEN Co.”), with the brand “CSB”. Headquartered in Taiwan, HCEN Co. manufactures and sells small batteries for UPS (uninterruptible power supply) devices. Its customers include the three leading UPS companies in the world. In terms of their product lineups, HCEN Co. has a complementary relationship with Hitachi Chemical, which specializes in large industrial batteries and has a global sales network.

Next, in FY 2016, Hitachi Chemical established FIAMM Energy Technology S.p.A. (hereinafter “FET Co.”), with the brand “FIAMM”. A joint venture for which Hitachi Chemical owns the majority of the stock, FET Co. is headquartered in Italy, and



manufactures and sells automotive and industrial batteries. Through FET Co., which holds a large share of the market primarily in Europe, Hitachi Chemical was able to acquire its first manufacturing sites, sales channels, and brand in Europe. Consequently, for the Hitachi Chemical Group, FY 2017 can be thought of as its “first year in Europe”.

Then, in FY 2017, we proceeded to acquire stock of Thai Storage Battery Public Company Limited (hereinafter “TSB Co.”), ultimately making the company a consolidated subsidiary. With the brand “3K” and headquarters in Thailand, TSB Co. mainly manufactures and sells automotive batteries and has big brand power in ASEAN nations.

Through these activities, Hitachi Chemical has successfully expanded its energy business from the domestic market to the European and ASEAN markets, and aims to firmly establish its position in the global market by expanding its scale of business.

Crucial to the global expansion of our energy business is communication with our new Group companies. Through such communication, we can achieve synergy, particularly in the area of development, where it is important not only to integrate technologies but also to properly share information about our customers’ needs for cutting-edge technology and to create better products that address those needs. By leveraging our core technologies in the fields of materials, processes, and evaluation, Hitachi Chemical will respond to the needs of customers around the world. To become a battery manufacturer with a deep understanding of systems, Hitachi Chemical strives to learn about our customers’ systems and to propose the most suitable batteries to enable our customers to optimize the use of their systems.

This approach of correctly identifying a customer’s true needs and then creating new technology in collaboration with the customer applies not only to our energy business but also to the businesses of the Hitachi Chemical Group as a whole.

In January 2017, Hitachi Chemical opened the Innovation Center on the 29th floor of a building adjacent to our headquarters. With our energy storage business departments helping to promote the activities of the innovation center, the center provides a space where we can interact with customers and where visitors can view actual products, conceptual displays, and informational videos related to the various technologies owned by Hitachi Chemical. We hope you will come and visit this private gallery to learn about our technologies in the business fields of information communication, environment and energy, life science, and automobiles, as well as technologies tailored to specific customer requests. Through collaboration with our customers, Hitachi Chemical will create cutting-edge technology responding to our customers’ various needs.

With a pioneering spirit to explore uncharted areas, we will continue to develop innovative solutions beyond the boundaries of chemistry, delivering wonders that exceed the expectations of customers and society.