

News Release

FOR IMMEDIATE RELEASE

Hitachi Energy to invest additional \$1.5 billion to ramp up global transformer production by 2027

- Capacity expansion will increase speed to market to meet accelerating global demand, address long-term customer investments and create over 4,000 jobs.
- Investments span across Europe, the Americas, and Asia leveraging existing global footprint.
- Around \$180 million in a new state-of-the-art transformer factory in Finland, a key location for clean technology development for renewables and industrial electrification.



High-Voltage Direct Current (HVDC) power transformer testing area in one of Hitachi Energy's facilities in Europe

Zurich, April 23, 2024 – Hitachi Energy today revealed investments of over \$1.5 billion to ramp up its global transformer manufacturing capacity to keep pace with the growing demand and support the long-term plans and electrification efforts.

The investments will gradually expand the company's global transformer capacity by 2027 and are in addition to the [\\$3 billion](#) already announced to progress on the electrification of the energy system driven by the energy transition.

"The demand for transformers and electrical equipment has grown at an unprecedented scale, and we are investing to address our customers' mid- and long-term needs. We are developing our global footprint and capacity, and progressing in digitalization and technology to deliver even more sustainable and reliable solutions," said Bruno Melles, Managing Director of the Transformers Business at Hitachi Energy, during the company's flagship customer event, Energy & Transformers Days in Rome, Italy.

Today, the company is also announcing an investment of around \$180 million in a new state-of-the-art transformer factory in the Vaasa region, Finland. This top-notch 30,000-square-meter campus will be a testament to Hitachi Energy's dedication to innovation, quality, and environmental stewardship.

The investments complement Hitachi Energy's broader growth efforts, which include the

recently announced larger than \$30 million expansion in [Bad Honnef, Germany](#). Leveraging the company's global footprint, additional investments will follow in Europe, the Americas, and Asia to meet the growing demand for power and distribution transformers.

Hitachi Energy's transformer facility expansions include the ongoing project in [South Boston, Virginia, US](#), and other recently completed projects at [Jefferson City, Missouri, US](#), and Dos Quebradas, Colombia. In addition, the company has inaugurated new cutting-edge factories in [Chongqing, China](#), and [Hanoi, Vietnam](#), together with a new transformer service center in [Welshpool, Australia](#).

"Our global investments, including the new transformer campus in Finland, underline our commitment to co-create with our utility and industry customers and partners the path to accelerate the energy transition. By strategically leveraging our global footprint, technology, and the expertise of our teams, we are not only poised to meet the global demand for sustainable energy solutions but also to drive the innovation necessary for a carbon-neutral future," Melles added.

[Transformers](#) play a key role across the power value chain, enabling efficient transmission and distribution of electricity. They are a key component for applications such as integrating renewables, grid interconnections, powering data centers and electrifying transportation, facilitating the decarbonization of energy systems.

Hitachi Energy is the world's largest transformer manufacturer in terms of installed base, portfolio range, manufacturing capacity, and market coverage, with over 60 transformer factories and service centers across the world.

Growing the service and digital capabilities is part of the company's efforts to help utilities and industries operate and maintain their electrical assets. Digitalization enables efficient operations across the whole value chain, enabling reliability-centered asset management programs to help our customers extend the transformers' life cycle, support sustainability, and allow delayed investments in new equipment.

All the announced transformer investments include sustainable and innovative manufacturing technologies for operational efficiency while ensuring high standards for safety and quality. They are advancing the company's efforts to become carbon-neutral by 2030 and aim to create positive economic and social impact in the local communities. Hitachi Energy employs over 17,000 people across the globe in its Transformer business and plans to increase its workforce by adding 4,000 new jobs to the industry.

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About Hitachi Energy

Hitachi Energy is a global technology leader that is advancing a sustainable energy future for all. We serve customers in the utility, industry and infrastructure sectors with innovative solutions and services across the value chain. Together with customers and partners, we pioneer technologies and enable the digital transformation required to accelerate the energy transition towards a carbon-neutral future. We are advancing the world's energy system to become more sustainable, flexible and secure whilst balancing social, environmental and economic value. Hitachi Energy has a proven track record and unparalleled installed base in more than 140 countries. We integrate more than 150 GW of HVDC links into the power system, helping our customers enable more wind and solar. Headquartered in Switzerland, we employ

more than 40,000 people in 90 countries and generate business volumes of over \$10 billion USD.

<https://www.hitachienergy.com>

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About Hitachi, Ltd.

Hitachi drives Social Innovation Business, creating a sustainable society through the use of data and technology. We solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products. Hitachi operates under the business structure of “Digital Systems & Services” - supporting our customers’ digital transformation; “Green Energy & Mobility” - contributing to a decarbonized society through energy and railway systems, and “Connective Industries” - connecting products through digital technology to provide solutions in various industries. Driven by Digital, Green, and Innovation, we aim for growth through co-creation with our customers. The company’s consolidated revenues for fiscal year 2022 (ended March 31, 2023) totaled 10,881.1 billion yen, with 696 consolidated subsidiaries and approximately 320,000 employees worldwide. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
