

Joint Venture Established for Manufacture and Sales of LNG Shipping Containers in North America

Tokyo Japan, May 20, 2014 – Hitachi High-Technologies Corporation (TOKYO: 8036; Hitachi High-Tech) and AIR WATER PLANT & ENGINEERING INC. (AWP), a subsidiary of AIR WATER INC. (TOKYO: 4088) that holds the top share of the liquid natural gas (LNG) tank lorry market in Japan, have agreed to operate a manufacturing and sales business in North America for tank containers for transporting LNG and related products, and will establish a new joint venture, Hitachi High-Tech AW Cryo, Inc. (HTAW).

The North American natural gas market has seen prices driven down by a massive increase in production volume triggered by the shale gas revolution. This in turn has stimulated growth in demand, not only for large volume demand at large-scale power stations and other facilities, but also small- and medium- volume demand. As a result, natural gas is expected to find various applications, such as in small-scale power plants and LNG-powered locomotives. In line with this, there is a growing need for small- and medium-volume natural gas transportation means such as trucks and railways, rather than the conventional large-volume transportation means of pipelines.

The newly established HTAW will conduct a manufacture and sales operation for the LNG transport tank containers and related products, which offer high transportation efficiency, to realize safe, efficient transportation of small to medium volumes of natural gas. Specifically, HTAW will use Hitachi High-Tech's sales expertise and network in the North American market to market LNG transportation tank containers that utilize AWP's cryogenic thermal insulation technologies offering superior performance against shock and vibration during transport. HTAW will focus its operations mainly on regional energy supply companies and major logistics companies in the U.S. and Canada, targeting net sales of 12.0 billion yen in fiscal 2020.

Development of HTAW's business operations will assist the safe supply of natural gas as a clean energy source, and contribute to the building of a social infrastructure to support stable, comfortable living.

Overview of Hitachi High-Tech AW Cryo, Inc.

Company Name	: Hitachi High-Tech AW Cryo, Inc.
Location	: Vancouver, Canada
Representative	: Marc Bolduc
Business lines	: Manufacture and sale of LNG transportation tank containers and related products, and provision of ancillary services.
Number of employees	: 6
Established	: Scheduled for June 2, 2014
Capital	: 2.2 million Canadian dollars
Investment ratios	: Hitachi High-Tech Group 66% (Hitachi High-Tech: 51%, Hitachi High Technologies America, Inc.: 15%), AWP 34%

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