

FOR IMMEDIATE RELEASE

Information about production capacity reinforcement of the micro battery (2nd Phase)
(Corresponding to the increasing demand as a power source of smart meter)

Tokyo, June 13, 2016 — Hitachi Maxell, Ltd. (TSE6810) has announced that the Company will invest aiming at the production capacity reinforcement of cylindrical CR battery* redoubling for the social infrastructure use including such as a power source of the smart meter for gas and water supply which is expected rapid growth with development of smartification of energy management.

In recent years, request to the battery which secure long reliability is rising, according to increasing demand of infrastructure equipment such as smart meter as the device which supports smart society with development of IoT (Internet of Things), and a world-wide growth chance of the micro battery is expected including U.S. and Europe.

Maxell's cylindrical CR battery is highly evaluated by domestic and overseas customers, and we have good record of dealing for long years, by product reliability based on electrode technology and winding structure, secured by patents and many manufacturing know-how. Customer's needs are also getting complicated with further smartification of a meter, Maxell's cylindrical battery corresponds to customer's wide needs, with the long reliability (more than 10 years use at outdoor), the high capacity and the wide range of operating temperature as the feature.

We plan to reinforce the production capacity of the cylindrical CR battery with investing approximately 1,300 million yen in Ono factory during the first half of FY2016, and increase production capacity at about 2 times of the current capacity. Maxell improves the productivity substantially by introducing the new manufacturing line which used the manufacturing know-how grown for a long time and responds to the expansion of demand.

Maxell is advancing reform of business portfolio, to places "Automotive", "Home life and Infrastructure" and "Health and Beauty care" as the 3 key growth areas, in the Medium-term Management Plan, which was determined in January, 2015. Above all, we are aggressively investing our management resource to the micro battery as a

growth driver extending over 3 key growth areas, and this time investment is the second phase of “Production capacity reinforcement of the micro battery (approximately 4 billion yen investment in the next 4 years)” announced on April 22, 2014, following with “Production capacity reinforcement of coin type CR battery for automotive market” announced on September 10, 2014.

Maxell will continue to contribute to development of the smart society in future various scenes by placing Ono factory as the core base of the micro battery, and providing a product in response to a variety of demand.

*CR battery (manganese dioxide lithium battery)

Investment details

- (1) Place of installation: Ono factory of Energy Division (Ono-city, Hyogo)
- (2) Contents: Manufacturing Equipment of the cylindrical CR battery
- (3) Production capacity after investment: About 2 times of the current capacity
- (4) Operation start: The first half of FY2017

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