

News Release

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Hitachi Sunway Positions as Powerhouse in Data Center Market

i) Japan-Malaysia JV makes two major acquisitions in accelerating to leadership position for data center solutions and services;

ii) Builds new data centre in Klang Valley as direct response to the Malaysian government's drive to position the country as a premier location for regional data centre hub

PETALING JAYA, MALAYSIA – **July 31, 2014** – Hitachi Sunway Information Systems Sdn. Bhd. ("Hitachi Sunway"), a leading one-stop IT services and solutions provider in Southeast Asia (SEA), today announces its latest corporate maneuver in bid to become a major data center player in the region.

Cheah Kok Hoong, Group CEO and director of Hitachi Sunway shares that these include the acquisitions of two privately held Malaysian companies – Free Net Business Solutions Sdn Bhd ('FREENET') and Powerware Systems Sdn Bhd ('PWS') in strategic investments that instantly positions the Japanese-Malaysian joint venture (JV) company to be the next powerhouse player in the region's data center sector.

Cheah says, "Hitachi Sunway has fully acquired FREENET and thirty percent (30%) shares of PWS, in our latest corporate investment to leverage the strong demands for regional data center services as the Cloud Computing trend experiences continued growth throughout SEA's ICT markets."

*Note: FREENET has over 15 years of experiences in system integration, backup and data recovery, data center facility, managed services, network services and IT outsourcing businesses, whereas Powerware Systems has presences in Malaysia and Middle East focusing in Data Center Design and Build over a span of 10 years. For more details about the companies being acquired, please refer the boilerplates.

Prior to the acquisitions, Hitachi Sunway already has a data center business that runs

under its Infrastructure Managed Services (IMS) division that offer data center services, data management, IT outsourcing managed service, data center design and building solutions.

"These two strategic acquisitions come in timely as Hitachi Sunway is underway to complete the building of its newest 5000 sq. ft data center located at The Pinnacle Sunway by October 2014," shares Cheah.

With the acquisition of FREENET, Hitachi Sunway instantly gains two (2) additional ISO-certified Tier III compliant data centers within the country located at Cyberjaya and Kuala Lumpur; and to a total of 18,500 sq. ft, while its third data center at The Pinnacle Sunway is currently under construction.

He adds that the Japanese-Malaysian JV intends to be a top player in the region with comprehensive data center services, Cloud infrastructures and solutions to support multinational customers, especially Japanese-oriented businesses look to expand their businesses in SEA via ICT support partnership with Hitachi Sunway.

Responding to Malaysian Government's Call For More Data Centers

Cheah says that this emphasis of Hitachi Sunway's corporate business direction into the data center market aligns with the local government's drive towards greater developments for the country to be SEA's preferred data center hub.

"Invest KL and Multimedia Development Corporation (MDeC) is in close support of Hitachi Sunway's acquisitions and revealing of our latest data center at The Pinnacle Sunway, as this is also exemplary of the kind of strategic foreign investments that is sought after to boost Malaysia's ICT sector," he says.

As a country, Malaysia has already seen its economic revenue from the data center market grew by over RM500 million last year, up by 25 percent. At the same time, the Cloud Computing trend has taken off as an increasing number of conglomerates and SME businesses are adopting this ICT delivery model to manage data and deploy technology.

"As Cloud Computing is a major growth strategy for Hitachi Sunway, it is only logical for us to invest to be a stronger player as data centers are the fundamental infrastructure and ICT architectural support for Cloud to be delivered," explains Cheah.

The Pinnacle Sunway: MSC Cybercentre

Located at The Pinnacle Sunway, Hitachi Sunway's latest data center facility is certified with the Green Building Index to compliment its data center services to customers from a cost perspective.

Cheah adds, "Hitachi Sunway's newest data center will be handle the demands of more from local corporations, which want to outsource their IT and call centre operations, yet at the same time prefer their data to be residing closer to them."

Hitachi Sunway has also officially relocated its Headquarter at The Pinnacle Sunway recently where is designed with highest building efficiency optimized for MSC-status companies' operations.

In conjunction with the acquisition announcements, Masato Saito, Chairman / Director of Hitachi Sunway also shares that Hitachi Sunway has been growing steadily with a significant increase in revenue of over 50 percent in the past 12 months.

Saito ends, "The remarkable business growth is a testament of the conducive collaboration between Hitachi Systems and Sunway Technology. Especially IMS, which is one of the three core business divisions of Hitachi Sunway has recorded more than 100 percent growth in revenue. This will continue to be fuelled by the force of the new acquisitions."

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About Hitachi Sunway Information Systems Sdn Bhd

Established in April 2013, Hitachi Sunway Information Systems is a joint venture (JV) company of Hitachi Systems, Ltd. and Sunway Technology - to provide IT services in Malaysia and Southeast Asia. Its core offerings include Applications (ERP, Supply Chain Optimization), Engineering Solutions (Product Lifecycle Management) and Infrastructure & Managed Services (Systems & Storage, End-to-End Virtualization Solutions, Data Management/Storage, High Availability/Disaster Recovery, ITO Managed Services, Infra/Data/Cloud Security, Wireless Network Infra, Data Center Outsourcing & Cloud Services). The company has established partnerships with leading global technologies provider such as Ariba, Autodesk, Citrix, Commvault, Dell, eLock, Galasys, Hitachi Data Systems, HP, IBM, Infor, NetApp,

Netsuite, Oracle, Siemens, Spring Technologies, Symantec, Trend Micro and VMware. Our list of clientele come from various industries, namely Insurance & Financial Services, Automotive, Manufacturing & Distribution, and Construction & Engineering. Headquarter in Malaysia, we also have offices in Singapore, Thailand, Indonesia, Philippines & Vietnam. For more information, visit <u>www.hitachi-sunway-is.com</u>.

About Free Net Business Solutions Sdn Bhd ('FREENET')

FREENET is Malaysia's leading IT Outsourcing Provider with multiple awards in "Best Data Center in Malaysia". The company, established in 1998, has 3 network neutral telco, internet data centers in Malaysia and co-location facilities across the Asia region. Its six core businesses are strategically aligned to provide complete services and support for the whole ICT ecosystem focusing on Data Centre Services, Managed Services, Network Services, Service Desk, Business Continuity Services and IT Consulting Services. FREENET is a Network Service Provider (NSP), ISP, ASP and VOIP Class licenses holder that allows them to manage connectivity services. With their capabilities, FREENET manages the lowest network latency across Asia region with multiple global tier 1 upstream providers and global Internet Exchange points. The company has affiliations with most of the technology providers such as Microsoft Gold Partner, Cisco Premier Partner, VMware, HP, IBM, Netapps and Dell partner status. FREENET has also obtained ISO27001, ISO20000 and ISO50001 accreditation.

About Powerware Systems Sdn Bhd ('PWS')

PWS is a world class data center specialist offering complete data center solutions, from consulting, design, construction, facility management services to ICT infrastructure managed services and resources management solutions. Since 1999, PWS has successfully delivered high-value, vendor independent solutions, and state-of-the-art technology to many satisfied customers, using its enormous and in depth experience in data center operations, and continues to add on multimillion dollar projects to its projects profile. PWS has the credibility of being the only Asian company that design an Uptime Institute certified Tier IV Data Centre for Saudi Telecom in Jeddah. PWS also design and construct the 1st Uptime Institute Certified Tier III Data Centre in Malaysia for HDC Data Centre Sdn Bhd. PWS has successfully completed projects covering more than 500,000 ft² of data center space.