

News Release

FOR IMMEDIATE RELEASE

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Hitachi Systems Acquires Singapore Company 'I-Net group' for IT Business Expansion

Bolstering IT Infrastructure Managed Services Business in Southeast Asia

Tokyo, Japan and Petaling Jaya, Malaysia – November 5, 2014 – Hitachi Systems, Ltd. (“Hitachi Systems”), a wholly owned subsidiary of Hitachi, Ltd. (TSE: 6501) today announced that Hitachi Systems will acquire 100 percent stake of I-Net Solutions (S) Pte Ltd and its group companies (“I-Net group”), an IT services and solutions provider operating businesses in Southeast Asian countries, to bolster the company’s IT services business in Southeast Asia. The acquisition will be made via its subsidiary in Malaysia – Hitachi Sunway Information Systems Sdn. Bhd. (“Hitachi Sunway”). As a result of the acquisition, I-Net group will be one of Hitachi Systems Group companies. The procedures for the acquisition are planned to be completed by the end of 2014. Subsequently, I-Net Solutions (S) Pte Ltd will be renamed as Hitachi Sunway Network Solutions (S), Pte. Ltd. (subject to approval from the relevant authorities).

The demands for IT infrastructure building and services are growing rapidly in pace with the continued economic growth in Southeast Asia, especially arised from the local enterprises, Japanese-oriented organisations and other multinational companies with operations in Southeast Asia region.

Hitachi Sunway is the first joint- venture set up in Southeast Asia by Hitachi Systems, as part of its business development in ASEAN. Headquartered in Malaysia, with subsidiaries in Singapore, Thailand, Indonesia, Vietnam, and the Philippines, Hitachi Sunway has achieved steady growth since it is established. In August 2014, Hitachi Sunway acquired Free Net Business Solutions Sdn Bhd. (“FREENET”), a Malaysia-based company that provides data center managed services. In addition, Hitachi Sunway also made an investment on October 31st, 2014 in Powerware Systems Sdn Bhd (“PWS”), a Malaysia-based company in business of providing data center consultancy, design and build.

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I-Net group provides one-stop IT solutions such as IT infrastructure development services, managed services and contact center services in Singapore, Malaysia and other Southeast Asian countries. Through the acquisition of FREENET, business partnership with PWS and the acquisition of I-Net group, Hitachi Sunway will be able to strengthen its IT offering portfolio to offer companies in Southeast Asia with a more comprehensive one-stop IT solutions and services, ranging from IT infrastructure implementation to application services, managed services, and data center-related services.

The Hitachi Systems Group is pursuing a number of measures with a view to achieving a net sales target of 500 billion yen and an overseas sales ratio target of 10% for fiscal 2015, as set out in its medium-term management plan. The acquisition will further strengthen and expand its global business and help to attain its target.

■Comment from Hitachi Systems

“Since its establishment in April 2013, Hitachi Sunway is expanding its business significantly as Hitachi Systems’ subsidiary in Southeast Asia. I am very delighted that I-Net group will join to the Hitachi Sunway group aiming at strengthening IT infrastructure integration service and managed service and expanding the operating base in Singapore. By the acquisition of I-Net group and FREENET, which was announced in July, the organization will be able to provide wide-range of services from IT infrastructure design and integration, managed service of IT systems, and data center operation. At the same time, by cooperation with PWS, which HSS partially invested in and established business partnership with, Hitachi Sunway come to provide one-stop service for whole IT life cycle including design/construction of data centers to meet various needs of customers in ASEAN countries. Hitachi Systems, through Hitachi Sunway group companies, will provide variety of IT services in one-stop and cross-border fashion to contribute the further development of ASEAN countries”, said Masato Saito, Executive Officer of Hitachi Systems, Ltd. and Chairman of Hitachi Sunway Information Systems Sdn. Bhd.

■Comment from Hitachi Sunway

“The recent acquisitions reinforce Hitachi Sunway’s corporate direction to be the top leading one-stop IT services and solutions provider in Southeast Asia. With the acquisition of I-Net group, Hitachi Sunway can augment its Infrastructure and Managed Services solutions offering with IT system integration, networking and security capabilities to comprehensively support the multinationals and enterprise grade customers’ regional business expansions, operations and IT needs. In addition,

the I-Net group acquisition will expand Hitachi Sunway's business footprint and IT offerings in Singapore", said Cheah Kok Hoong, Group CEO / Director of Hitachi Sunway Information Systems.

■ **Comment from I-Net group**

"The team at I-Net group are delighted to be a part of the HSS's strategy to expand its business footprint in Southeast Asia. This is a strategic business decision that we believe will benefit our clients, partners and employees. With the compliment of I-Net group's expertise and track records in the solution areas of IT infrastructure solutions, IT managed services and IT security solutions, Hitachi Sunway is well positioned and better equipped to compete for greater IT projects across a diverse range of sectors in the region", said Joshua Ong, Group Executive Director, I-Net Solutions (S) Pte Ltd.

I-Net Solutions (S) Pte Ltd Overview (As of September 30, 2014)

Company Name	I-Net Solutions (S) Pte Ltd
Headquarters	150 Kampong Ampat #04-02A KA Centre Singapore 368324
URL	http://www.i-net.asia/
Representative	Group Executive Director: Joshua Ong
Business lines	• IT Infrastructure Development Services • Managed Services
Employees	Approx. 110 (incl. Group companies)
Subsidiaries	Neutek Pte. Ltd. (Singapore)
(Location)	I-Net Sdn. Bhd. (Malaysia)

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, Cloud ERP & CRM), engineering solutions (PLM) and infrastructure & managed services (Systems & Storage, End-to-End Virtualization Solutions, Data Management/Storage, High Availability/Disaster Recovery, ITO Managed Services, Infra/Cloud Security, Data Center Outsourcing & Cloud Services). The company has established partnerships with leading global technologies provider such as Siemens, Spring Technologies, Oracle, Netsuite, VMware, Trend Micro, NetApp, Symantec, Dell, Commvault and Citrix. Our list of clientele come from various industries,

namely Insurance & Financial Services, Automotive, Manufacturing & Distribution, and Construction & Engineering. Headquartered in Malaysia, we also have offices in Singapore, Thailand, Indonesia, Vietnam & the Philippines.

For details:<http://www.hitachi-sunway-is.com/>

About Hitachi Systems, Ltd.

Hitachi Systems, Ltd. is an IT services company with strengths in high-quality operations and maintenance services. Hitachi Systems works closely with customers through a network of roughly 300 service sites and contact centers across Japan, through which it offers a wide range of business system design and integration services, as well as outsourcing services that take advantage of its robust data center infrastructure. A leader since the dawn of the IT era in Japan, Hitachi Systems leverages a track record and expertise in IT services to offer one-stop services covering the entire IT life cycle—from system consulting to integration, installation, operation and maintenance. Hitachi Systems also pushes beyond the boundaries of IT to create new value for customers, with the aim of becoming a global service company to which customers can entrust any operation.

For details:<http://www.hitachi-systems.com/eng/>

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges with our talented team and proven experience in global markets. The company's consolidated revenues for fiscal 2013 (ended March 31, 2014) totaled 9,616 billion yen (\$93.4 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes infrastructure systems, information & telecommunication systems, power systems, construction machinery, high functional materials & components, automotive systems, healthcare and others. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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