

# News Release

**FOR IMMEDIATE RELEASE**

**Hitachi-Omron Terminal Solutions to Acquire Interblocks,  
a Sri Lanka Provider of Payment related Software & Services**

*Accelerating global development of payment channel solutions for  
cash and non-cash transactions*

**Tokyo, July 18, 2019** --- Hitachi-Omron Terminal Solutions, Corp. (“Hitachi-Omron Terminal Solutions”) today announced that it has agreed with Interblocks Limited (“Interblocks”), a provider of various payment-related software products and services to financial institutions and retail businesses based in Sri Lanka, to acquire all outstanding shares of Interblocks, making it a wholly-owned subsidiary. Hitachi-Omron Terminal Solutions will proceed with the completion of the acquisition based on this agreement going forward.

Hitachi-Omron Terminal Solutions and Interblocks entered into a capital and business alliance agreement\*<sup>1</sup> in May 2018 and have been establishing a partner relationship including service development cooperation. This acquisition enables Hitachi-Omron Terminal Solutions to provide payment service infrastructure by making use of the excellent software suites and product development capabilities that Interblocks owns. Hitachi-Omron Terminal Solutions will accelerate the development of solutions that accommodate cash and non-cash transaction channels such as Automated Teller Machines (ATMs), bank counters, mobile banking or smartphone-based payment for the global market including India and Southeast Asia, which Hitachi-Omron Terminal Solutions focuses on.

In recent years, the environment surrounding global financial institutions has been rapidly changing. Payment methods are diversifying due to the expansion of cashless payment and the spread of mobile terminals, including smartphones. The expansion of payment transactions arose from enhancements in payment infrastructure in emerging countries. In addition, FinTech companies also pursue the commercialisation of new services. As such, financial institutions are required to respond promptly to these changes.

Interblocks provides a broad product lineup designed to connect with multiple banking channels, such as ATMs, Point Of Sale (POS), mobile terminals, and more. It has sophisticated software development capabilities in the settlement market. Interblocks

operates mainly in Asia, including Sri Lanka and the Philippines. Its payment service infrastructure features a switching system that processes transaction data at its core and is an integrated platform comprising diverse software groups accommodating multiple channels such as mobile wallets and One-to-One marketing<sup>\*2</sup>. Highly expandable and exceptionally flexible, it also enables seamless payment transactions regardless of channel or device. The software built on the framework of component-oriented<sup>\*3</sup> design can easily address customer needs such as expansion requirements or function changes.

With Interblocks on board as one of the group companies, Hitachi-Omron Terminal Solutions will, beyond the sale and maintenance business of ATMs, further develop a solution business centered on the payment service infrastructure of Interblocks on a global basis. The company is committed to addressing various needs, such as the reinforcement of services and operation efficiency, at financial institutions.

Additionally, in collaboration with Hitachi Payment Services Pvt. Ltd. (Hitachi Payment Services), a wholly-owned subsidiary of Hitachi based in India that provides managed services<sup>\*4</sup> for ATMs and POS, Hitachi-Omron Terminal Solutions will strive to further expand the solution business utilising Hitachi Payment Services' abundant technologies and know-how. Looking ahead, Hitachi-Omron Terminal Solutions will make group-wide efforts to create new services through the analysis and use of payment data.

**Comment from Tetsuya Yagi, Representative Director and President, Hitachi-Omron Terminal Solutions:**

We welcome Interblocks into our Group. Since the signing of a business alliance agreement with Interblocks in May last year, we have been jointly developing solutions for payment channels. In a short period of time, we have received a lot of inquiries about the solutions, and we were able to confirm the presence of needs and business viability. Hitachi-Omron Terminal Solutions and Interblocks are committed to contribute to the financial and payment market together.

Based on the know-how and core technologies gained from cash recycling ATMs, Hitachi-Omron Terminal Solutions will establish an integrated payment infrastructure with Interblocks' softwares and solutions and the services of Hitachi Payment Services to develop cash and non-cash payment-related service solutions.

### **Comment from Dinesh Rodrigo, Managing Director and CEO, Interblocks**

We are truly excited to move into this next stage of our company's journey as part of the Hitachi-Omron Group, and honoured that an organization of this heritage, strength and global presence recognizes the potential in our solutions offering. The rapid evolution of our partnership in the short period of just over a year is a testament to the exceptional synergies between our companies and the alignment of our visions for the future of the FinTech space which we believe lies in integrated scalable and adaptive solutions. The unique knowledge and capabilities we each bring to the table will enable us to achieve this vision and continue to provide market leading technology in this rapidly evolving space.

On positive note it will also be a boost to Sri Lanka that, global leaders are still seeing opportunity in Sri Lankan businesses, we hope this sends a positive message to local companies and global investors alike.

\*1 Hitachi-Omron Terminal Solutions Establishes Capital and Business Alliance with Interblocks Limited  
<https://www.hitachi-omron-ts.com/news/201805-001.html>

\*2 The service meeting individual needs based on data such as user's attributes or action history. For instance, on an ATM, a service to display a withdrawal amount or a transaction button frequently used, or ads in accordance with age, account balance, etc.

\*3 A technique to efficiently design/develop systems combined with reusable part (components).

\*4 A characteristic of the operation and maintenance services of Hitachi Payment Services is a provision of a comprehensive range of services from procurement of equipment to holding, installment, monitoring and maintenance of assets.

### **Outline of Interblocks Limited**

Corporate name	Interblocks Limited
Outline of business	Development and sale of software products for financial and payment services and delivery of various solutions and services
Headquarters	Colombo, Democratic Socialist Republic of Sri Lanka
Representative	CEO & Managing Director: Dinesh Rodrigo
Established	August, 2000
Capital	150 Million Sri Lanka rupee (as of March 2018)
Number of employees	176 (as of December 2018)
Business operation base	Sri Lanka, the Philippines
Website	<a href="http://www.interblocks.com/">http://www.interblocks.com/</a>

**About Hitachi-Omron Terminal Solutions, Corp.**

Hitachi-Omron Terminal Solutions, Corp. headquartered in Tokyo, Japan, is a member of the Hitachi Group and a leading vendor of cash recycling ATMs in the world. Hitachi-Omron Terminal Solutions provides highly reliable ATMs and bank systems that address real user needs. The company supports a secure, safe, and comfortable society through our prominent technologies and innovative solutions.

For more information about Hitachi-Omron Terminal Solutions, please visit:

<https://www.hitachi-omron-ts.com/>

For inquiries regarding this matter, please visit:

<https://www8.hitachi.co.jp/inquiry/hitachi-omron-ts/general/en/form.jsp>

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