

News Release

FOR IMMEDIATE RELEASE

Hitachi-Omron Terminal Solutions Establishes Capital and Business Alliance with Interblocks Limited

With an Aim to Strengthen its Omni-Channel Banking Solution Business, Focusing on the Switching Processing System and Multi-vendor ATM Software

Tokyo, May 14, 2018 --- Hitachi-Omron Terminal Solutions, Corp. ("Hitachi-Omron Terminal Solutions") today announced that it has signed a business alliance agreement with Interblocks Limited ("Interblocks"), and will invest in Interblocks.

Through this alliance, Hitachi-Omron Terminal Solutions, which has advanced technologies and products suited cash processing such as Automated Teller Machines (ATMs), will expand its switching processing systems ("switches"), and various solutions to strengthen the company's omni-channel banking solution business for the financial and payment service industry, mainly in Asian markets, using the broad array of software products and solutions provided by Interblocks, and with a focus on the customer base of Hitachi-Omron Terminal Solutions.

Digitalisation is a priority for financial institutions, given the modern-day upsurge in the use of smartphones and other mobile devices, as well as an increase in payment transactions. There is a need for financial institutions to adapt to the rise of digital channels such as smartphones and tablet PCs, in addition to existing channels such as ATMs and bank branches. The business environment has been changing rapidly as a result of emerging trends, such as FinTech, which facilitates the diversification of financial services, making it essential for financial institutions to provide seamless and prompt financial services to enhance overall user convenience.

Interblocks, with which Hitachi-Omron Terminal Solutions has formed a business alliance, has sophisticated software development capabilities for financial and payment services and offers a spectrum of expandable products and services tailored to a range of channels. Interblocks currently operates businesses mainly in Asia, including countries such as Sri Lanka and the Philippines. The company provides a broad lineup of solutions for switches conforming to IFX¹ standards for communication messages,

¹ IFX: Interactive Financial eXchange (A standard message format that uses XML web technology)

which is flexible to connect and align various channels and systems including ATMs, multi-vendor ATM applications, payments using mobile devices, and other systems.

Hitachi-Omron Terminal Solutions will commence its provision of switches and other solutions for open and diversified channels by integrating Interblocks' broad range of software products and solutions to its own product and service lines. This will allow the company to promptly provide omni-channel banking solutions for both cash and non-cash transactions such as ATMs and other machines, mobile wallets, by leveraging on Interblocks' multi-vendor applications, and one-to-one services linked to switches.

Hitachi-Omron Terminal Solutions will support the provision of financial services that responds to increasingly diverse channels, primarily those provided by financial institutions in Southeast Asia and other countries across Asia. In addition, the company will expand the scope of its businesses by improving its software development capacity, product lines and will extending its businesses to include software solutions.

Comment from Tetsuji Shimojo, Representative Director and President, Hitachi-Omron Terminal Solutions:

"I am delighted that we are able to establish a meaningful business partnership with Interblocks, which has impressive software development capabilities and offers a range of products and solutions for financial and payment services. Leveraging on the customer base of Hitachi-Omron Terminal Solutions, established mainly in Asia, we will support new solutions for financial institutions, payment service providers, and other operators and contribute to building a social infrastructure that integrates fast-growing digital channels together with existing channels."

Comment from Dinesh Rodrigo, CEO, Interblocks:

"We are privileged to have established a business partnership with Hitachi-Omron Terminal Solutions, which is of strategic importance to Interblocks, considering the strong brand name, experience and global presence of Hitachi. Together, we hope to launch unique and cutting edge technological solutions, so as to broaden our range of offerings to our valued customers. We believe, this will be the beginning of a successful and mutually beneficial relationship that will propel both companies to new heights in the FinTech space."

Outline of Interblocks

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	130 (as of March 2018)

About Hitachi-Omron Terminal Solutions, Corp.

Hitachi-Omron Terminal Solutions, headquartered in Tokyo, Japan, is a member of 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 embody 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:

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

For inquiries regarding this matter, please visit:

https://www8.hitachi.co.jp/inquiry/hitachi-omron-ts/products/en/form.jsp?UM_Qno=3

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