



FOR IMMEDIATE RELEASE

Hitachi to Transfer Shares in Hitachi Procurement Service to Infosys, Panasonic, and PASONA

A new company, HIPUS aims to combine the strengths and expertise of each company, and accelerates process transformation led by digital procurement functions

Tokyo, Japan, December 14, 2018 --- Hitachi, Ltd. (TSE:6501, “Hitachi”), Infosys Ltd. (NYSE:INFY, “Infosys”), Panasonic Corporation (TSE:6752, “Panasonic”), and Pasona Group Inc. (TSE:2168 “PASONA”), today announced that a contract was signed on December 14, 2018, regarding the transfer of part of the shares owned by Hitachi in Hitachi Procurement Service Co., Ltd. (“Hitachi Procurement Service”), Hitachi’s fully owned subsidiary that handles indirect materials*¹ purchasing functions for the Hitachi Group, to Infosys, Panasonic, and Pasona Group’s subsidiary PASONA Inc. The transfer of shares is scheduled to take place on April 1, 2019.

*1 Indirect materials: materials used in a production process, but which can’t be linked to a specific product or job.

Recently, as a result of advancements in digitalization, digital technologies such as artificial intelligence (AI) and robotic process automation (RPA) are being applied in conventional tasks, and there has been a growing trend toward streamlining and increasing efficiency in work processes, while at the same time strengthening corporate competitiveness. This is true of corporate procurement operations as well, where companies are facing an urgent need to apply digital technologies in order to achieve efficient procurement activities that demonstrate high added value, and to contribute to further enhancing their competitive strength. The trend toward business process management (BPM) and Business Process Outsourcing (BPO) is also accelerating, for example in corporate procurement and accounting processes, and the related service market in Japan is expected to expand even further in the future.

In this backdrop, Hitachi, Infosys, Panasonic, and PASONA agreed to form a new company in order to combine their strengths and expertise, and to further strengthen the procurement function of indirect materials. Hitachi will transfer part of the shares in Hitachi Procurement Service to Infosys, Panasonic and PASONA, and the shareholder composition after the transfer will be as follows: Infosys: 81%; Hitachi: 15%; Panasonic: 2%; and PASONA: 2%. After the transfer is complete, the new company name will be HIPUS, Ltd. (“HIPUS”). HIPUS will combine Infosys’s expertise in procurement on a global scale, BPM platforms, and advanced IT technologies with PASONA’s human capital and BPO networks in Japan. Initially, it will strive to increase efficiency and added

value through merits of scale, by applying BPO services in Hitachi's and Panasonic's procurement activities.

Furthermore, HIPUS will utilize Hitachi's, Infosys's and PASONA's respective customer bases to introduce BPM and BPO services in processes such as procurement and purchasing operations, and will roll out a broad range of other businesses as well, for example by introducing consulting, reverse auctions*², and other purchasing schemes, and by providing training services related to procurement. In this way, it will aim to achieve transaction volumes on a scale of 400 billion yen*³ in FY2021.

*² Reverse auction: a type of auction in which sellers bid for the prices at which they are willing to sell their goods and services.

*³ Hitachi Procurement Service's transaction volumes during the year ended March 2018 totaled 103.0 billion yen.

Outline of the share transfer contract

Outline	Of the regular shares in Hitachi Procurement Service. owned by Hitachi, 81% will be transferred to Infosys, 2% to Panasonic, and 2% to PASONA.
Date of signing of the share transfer contract	Dec 14, 2018
Date of share transfer execution	April 1, 2019 (tentative)

Outline of the companies

(1). New company

(1). Corporate name	HIPUS, Ltd.
(2). Representative	TBD
(3). Head Office	2-2-1 Otemachi, Chiyoda-ku, Tokyo 100-8228, Japan
(4). Establish	April 1, 2019 (The date when the corporate name will be changed from Hitachi Procurement Service.)
(5). Outline of business	BPM and BPO services in processes such as procurement and purchasing operations, etc.
(6). End of accounting period	March 31
(7). Number of employees	210
(8). Capital	JPY 500million
(9). Shareholders	Infosys, Hitachi, Panasonic and PASONA

(2). Hitachi, Ltd.

(1). Corporate name	Hitachi, Ltd.
(2). Representative	President & CEO, Toshiaki Higashihara
(3). Head Office	6-6 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
(4). Established	February 1, 1920
(5). Outline of business	Development, manufacture and sales of products and provision of service across eight segments: Information & Telecommunication Systems, Social Infrastructure & Industrial Systems, Electronic Systems & Equipment, Construction Machinery, High Functional Materials & Components, Automotive Systems, Smart Life & Ecofriendly Systems, Other
(6). End of accounting period	March 31
(7). Sales	JPY 9,368.6 billion
(8). Number of employees	307,275 (as of March 31, 2018)

(3). Hitachi Procurement Service Co., Ltd.

(1). Corporate name	Hitachi Procurement Service Co., Ltd.
(2). Representative	President, Shinichiro Nagagata
(3). Head Office	2-2-1 Otemachi, Chiyoda-ku, Tokyo, Japan
(4). Established	June 4, 2002
(5). Outline of business	Procurement solution services (Commissioned procurement business, centralized purchasing of indirect materials through internet, export & import, procurement consulting, BPO services, and information tools for procurement)
(6). End of accounting period	March 31
(7). Number of employees	210 (as of March 31, 2018)

(4). Infosys, Ltd.

(1). Corporate name	Infosys Limited
(2). Representative	CEO & MD, Salil Parekh
(3). Head Office	Bengaluru, India
(4). Established	1981
(5). Outline of business	Next-generation digital services and consulting
(6). End of accounting period	March 31
(7). Sales	US\$10.93 billion(March 31, 2018).
(8). Number of employees	217,700+ employees

(5). Panasonic Corporation

(1). Corporate name	Panasonic Corporation
(2). Representative	President, Kazuhiro Tsuga
(3). Head Office	1006, Oaza Kadoma, Kadoma-shi, Osaka, Japan
(4). Established	December 15, 1935
(5). Outline of business	Manufacturing, sales and service of a comprehensive range of electronics products, including parts, home electronics, household appliances, FA equipment, IT devices and housing-related equipment
(6). End of accounting period	March 31
(7). Sales	JPY 7,982.2 billion (FY2018, ended March 31, 2018)
(8). Number of employees	274,143 (as of March 31, 2018)

(6). Pasona Group Inc.

(1). Corporate name	Pasona Group Inc.
(2). Representative	Group CEO, Yasuyuki Nambu
(3). Head Office	2-6-2 Otemachi, Chiyoda-ku, Tokyo, Japan
(4). Established	December 3, 2007
(5). Outline of business	<ul style="list-style-type: none"> • Independent Work System(Temporary staffing) • Insourcing(Contracting) • HR Consulting, education and training, others • Global Sourcing (Overseas) • Career Solutions (Placement/Recruiting, Outplacement) • Outsourcing • Life Solutions • Public Solutions
(6). End of accounting period	May 31
(7). Sales	JPY 311.4 billion
(8). Number of employees	9,074 (consolidated, including contract workers)

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges. The company's consolidated revenues for fiscal 2016 (ended March 31, 2017) totaled 9,162.2 billion yen (\$81.8 billion). The Hitachi Group is a global leader in the Social Innovation Business, and it has approximately 304,000 employees worldwide. Through collaborative creation, Hitachi is providing solutions to customers in a broad range of sectors, including Power / Energy, Industry / Distribution / Water, Urban Development, and Finance / Government & Public / Healthcare. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

About Infosys Ltd.

Infosys is a global leader in next-generation digital services and consulting. We enable clients in 45 countries to navigate their digital transformation. With over three decades of experience in managing the systems and workings of global enterprises, we expertly steer our clients through their digital journey. We do it by enabling the enterprise with an AI-powered core that helps prioritize the execution of change. We also empower the business with agile digital at scale to deliver unprecedented levels of performance and customer delight. Our always-on learning agenda drives their continuous improvement through building and transferring digital skills, expertise, and ideas from our innovation

ecosystem. Visit <http://www.infosys.com> to see how Infosys (NYSE: INFY) can help your enterprise navigate your next.

About Panasonic Corporation

Panasonic Corporation is a worldwide leader in the development of diverse electronics technologies and solutions for customers in the consumer electronics, housing, automotive, and B2B businesses. The company, which celebrated its 100th anniversary in 2018, has expanded globally and now operates 591 subsidiaries and 88 associated companies worldwide, recording consolidated net sales of 7.982 trillion yen for the year ended March 31, 2018. Committed to pursuing new value through innovation across divisional lines, the company uses its technologies to create a better life and a better world for its customers. To learn more about Panasonic: <http://www.panasonic.com/global>.

About Pasona Group Inc.

Ever since its foundation in 1976, Pasona Group's corporate philosophy, "Providing Solutions to Society's Problems" has not changed. The Company has aimed to build a better society and to create an infrastructure that provides each individual the opportunity to work and the freedom to choose the job of his or her choice.

Pasona provides HR Solutions worldwide (Temporary staffing, Contracting, HR Consulting, Place & Search, Global Sourcing, Outplacement, Outsourcing), and Life Solutions such as services in the childcare and elderly care area. The Company is also engaged in promoting local revitalization.

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