

November 27, 2012

Hitachi High-Tech Enters the Communications Cloud Business

—Establishment of Joint Venture Chorus Call Asia Corporation—

Hitachi High-Technologies Corporation (TOKYO: 8036, Hitachi High-Tech) today announced that it has reached agreement with U.S.-based communications services provider Chorus Call, Inc. (Representative: Dr. Giorgio Coraluppi; Chorus Call) to co-invest in Chorus Call Asia Corporation (Chorus Call Asia). The joint venture is scheduled for establishment on April 1, 2013.

There is an increasing trend to use video conferencing, audio conferencing and similar technologies as part of day to day business communications and business continuity plans.

These methods of communication are used in the corporate, government and education sectors.

Video conferencing, audio conferencing and similar technologies enhance productivity and reduce travel and transportation costs.

There is a growing shift toward the use of cloud computing as a way to reduce fixed assets and operating costs. Meanwhile, the proliferation of tablets and smartphones has led to greater utilization of these devices as communication tools in video and audio conferencing. As these examples indicate, needs in this area are becoming more diverse.

In the wider Asian market, the development of network infrastructure is spurring growing demand for video conferencing alongside traditional audio conferencing. Furthermore, communications cloud¹ needs are expected to grow in step with continued positive growth in Asian economies. Consequently, the market is projected to post an annual growth rate of 11% over the next 3 years.²

Since 2000, Hitachi High-Tech has built a presence in the video conferencing market atop its High-Tech Vision brand. In the years that followed, we have developed a lineup of proprietary products, including multi-site video conferencing software and Telepresence rooms. We have also promoted sales of value-added visual communications systems that bundle hardware and software from other companies. In these ways, Hitachi High-Tech has built a strong business track record and amassed expertise as a veteran player in this industry. As part of this latest agreement, Hitachi High-Tech will partner with Chorus Call, a company with a communications cloud business that already spans 10 countries, to establish Chorus Call Asia. This move will bring together Chorus Call's business acumen and its capabilities in the development of service tools with Hitachi High-Tech's own business and marketing skills to newly advance into the communications cloud business in Japan and the rest of Asia. Since 2009, Hitachi High-Tech has been a sales partner for video conferencing multi-site connection software from Chorus Call's U.S.-based parent company Compunetix, Inc. The new company Chorus Call Asia will set sights first on the Japanese market, with subsequent expansion to the rest of the Asian market. The new company is targeting ¥800 million in sales by fiscal 2015.

<Overview of Chorus Call Asia Corporation>

Company name	Chorus Call Asia Corporation
Head office	1-8-10, Harumi, Chuo-ku, Tokyo (inside Hitachi High-Tech Solutions Corporation)
President	TBD
Business lines	Provision of electronic communications services enabling teleconferencing via video conferencing and audio conferencing systems; related R&D, leasing, sales, imports and exports. Target service area is the Asia region (including Japan), with the exception of India and Australia.
Employees	9
Establishment	April 1, 2013
Capital	¥200 million
Principal shareholders	Chorus Call, Inc. (51%), Hitachi High-Tech (49%); Chorus Call Asia will be an equity-method affiliate of Hitachi High-Tech.

<Overview of Chorus Call, Inc.> (As of November 2012)

Company name	Chorus Call, Inc.
Head office	Pittsburgh (Monroeville), Pennsylvania (U.S.A.)
Representative	Dr. Giorgio Coraluppi
Business lines	Provision of electronic communications services enabling teleconferencing via video conferencing, audio conferencing, and Web conferencing systems; related R&D, leasing, sales, imports and exports. In addition to its U.S. headquarters, Chorus Call has subsidiaries in Canada, Brazil, Switzerland, Germany, Italy, Greece, South Africa, India and Australia.
Employees	approx. 150
Establishment	1982
Capital	US\$81,000
Principal shareholder	Compunetix, Inc. (100%)

¹ Communications cloud: A catchall term encompassing video conferencing, audio conferencing, and Web conferencing services. These are cloud-based services from connection service providers that do not require multi-site connection equipment on site.

² Asia market (including Japan) for 2012 to 2015, excluding India and Australia.

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