

December 25, 2013

Press Release

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CTC to Merge Its Consolidated Subsidiaries

ITOCHU Techno-Solutions Corporation (headquartered in Chiyoda-ku, Tokyo; Satoshi Kikuchi, President & CEO; hereinafter “CTC”) announces that a meeting of the Board of Directors held on December 25, 2013 resolved to merge CTC System Operations Corporation (hereinafter “CTCSO”) with CTC System Service Corporation (hereinafter “CTCS”), both of which are wholly owned subsidiaries of CTC. Details are as follows:

1. Purpose of the merger

CTC has made the strengthening of its service-type business as one of the growth strategies in its medium-term management plan. As its main business, CTCSO engages in the IT infrastructure operation business, while CTCS engages in the business application operation. With the merger, CTC will aim to expand the businesses of both companies through effective use of their human and management resources by integrating their expertise in IT operation.

CTC will also work to shift further to the service-type business by providing IT outsourcing services that encompass a broad array of IT services ranging from infrastructure to application.

2. Summary of the merger

1) Schedule of the merger

Board of Directors meeting to approve the merger (CTCSO): December 24, 2013

Board of Directors meeting to approve the merger (CTCS): December 24, 2013

Conclusion of the merger agreement: December 25, 2013

Date of merger (effective date): April 1, 2014 (planned)

2) Method of the merger

CTCSO will merge with CTCS through the absorption-type merger, with the former as the surviving company and the latter to be liquidated.

3. Overview of the companies to be merged

| | Surviving company (CTCSO) | Company absorbed (CTCS) |
|--|---|--|
| (1) Trade name | CTC System Operations Corporation | CTC System Service Corporation |
| (2) Address | 1-11-5, Fujimi, Chiyoda-ku, Tokyo | 8-1, Sanbancho, Chiyoda-ku, Tokyo |
| (3) Name and title of representative | Ken Goto, President and Representative Director | Akira Saito, President and Representative Director |
| (4) Established | July 1, 2008 | October 3, 1984 |
| (5) Business description | Provision of infrastructure operation and management services and failure monitoring services of IT systems, IT system designing and development , and Technical consulting on IT systems | Provision of business application operation and management services of IT systems, software development services, and satellite communications and broadcasting operation services |
| (6) Capital | 100 million yen | 200 million yen |
| (7) Fiscal year end | March 31 | March 31 |
| (8) Major shareholder and shareholding | ITOCHU Techno-Solutions Corporation (100%) | ITOCHU Techno-Solutions Corporation (100%) |
| (9) Net sales | 3,821 million yen (As of March 31, 2013) | 13,492 million yen (As of March 31, 2013) |

4. Status after the merger

| | |
|--------------------------------------|---|
| (1) Trade name | CTC System Management Corporation* |
| (2) Address | 8-1, Sanbancho, Chiyoda-ku, Tokyo |
| (3) Name and title of representative | Not yet determined |
| (4) Business description | Provision of operation and management services of IT systems, infrastructure operation and management services, business and application operation and management services, software development services, and satellite communications and broadcasting operation services |
| (5) Capital | 300 million yen |
| (6) Fiscal year end | March 31 |

* Upon the merger, CTC System Operations Corporation, the surviving company, will change its trade name to CTC System Management Corporation.

5. Future outlook

As this merger is an absorption-type merger of wholly owned subsidiaries of CTC, its impact on consolidated operating results of CTC will be minor.