

BUSINESS MERGER ANNOUNCEMENT

Dear Valued Customers

Digital Electronics Corporation. is pleased to announce that, as part of its efforts to strengthen its industry business, we will enter into a definitive merger agreement with Schneider Electric Japan Holdings Ltd., a parent company on September 1, 2017.

This integration will maintain the brand strength of Pro-face by Schneider Electric as an HMI specialist, which it has been built up through the 25+ years with its industry leading technology and customer-base. With the associated brand "by Schneider Electric" branding, will aim to increase sales of Pro-face HMIs by utilizing Schneider Electric's global networks. At the same time, by expanding the portfolio with new products and solutions, the company will fuse IT and OT (Operation Technologies) at production sites, and thereby provide products and services that contribute to the realization of smart factories in Japan.

If you have any questions or require more information about this merger, please contact us.

Surviving company Schneider Electric Japan Holdings, Ltd.

Absorbed company Digital Electronics Corporation

Effective date of merger September 1, 2017

Head Office 2-15-6, Shibaura, Minato-ku, Tokyo, Japan

Country President Tjer Lang Sjamsu Zen

Yours sincerely,

Digital Electronics Corporation Schneider Electric Osaka Building, 4-4-9, Kitahama, Chuo-ku, Osaka, Japan