



April 16, 2002
Hitachi, Ltd.
Anoto AB

Hitachi and Anoto have agreed to co-develop Digital Pen Based services for the enterprise market starting with e-Government and e-Local Government solutions in Japan

Hitachi, Ltd., (based in Chiyoda-ku, Tokyo, Chief of the Group & CEO: Isao Ono, hereinafter as Hitachi) and Anoto AB (based in Lund, Sweden, President & CEO: Christer Fahraeus) today announced a collaboration agreement to provide enhanced Digital Pen Solutions to companies and governments worldwide.

Anoto has developed a concept that allows anything written with a digital pen on digital paper to be sent directly from the paper to any computer or mobile phone in the world. Hitachi and Anoto have signed an agreement to jointly develop the Enterprise Paper Look-up Service (EPLS) utilizing the existing pen service infrastructure, the Global Paper Look-up Service (GPLS), providing the necessary functionality to build new intranet handwriting solutions for corporations and governments. The EPLS is a new infrastructure component to the Anoto concept, making it possible for organizations to build their in-house solutions for forms' processing utilizing Anoto functionality. Hitachi has vast experience, know-how and advanced security technology in the e-Government field and together with the EPLS, this will form an optimal product for the e-Government solution. The EPLS infrastructure product will be owned by Anoto and marketed and sold worldwide by Anoto partners and Hitachi will market and sell the total solutions starting in Japan.

Development will begin in April 2002 with the aim of starting manufacturing and sales in 2003. Hitachi exhibits this solution at its e-Government showroom, "CyberGovernment Square", in cooperation with Anoto.

Anoto is providing the infrastructure to ensure that all information originating from digital pens and digital paper enabling Anoto functionality gets routed to the appropriate service provider. Anoto and Hitachi will develop the extension of this system, the EPLS, to incorporate functionality suitable for large corporations and organizations, e.g. Hitachi character recognition software. An example of this could be a person notifying change of address to the authorities. For this solution, the digital pen transmits the data, utilizing a server infrastructure. By applying character recognition directly to this data, it saves the trouble of having to digitize the handwritten data. Consequently, such a service improves the

efficiency of the administration and citizens can “e-apply” without changing the application process.

The Japanese government has propelled to establish e-Government and e-Local Government by 2003. As a part of this event, Hitachi announced the e-Government Solution for the Japanese administration, “Solutionmax for CyberGovernment” in 1999. Hitachi has provided security/authentication infrastructure systems which have been integrated in the “e-Government System.” They are significant for the realization of e-Government in Japan. Hitachi also presents “Hybrid Administration Service,” which provides administrative services in many ways, both at the information desk and through the Internet. Hitachi’s “Information KIOSK,” “OCR System,” and “e-Application Infrastructure Software” are also parts of “Hybrid Administration Service.” The cooperation between Hitachi and Anoto will provide Digital Pen Solutions as a move towards realization of the “Hybrid Administrative Service.”

A digital pen enabling Anoto functionality is the tool that, together with the digital paper enabling Anoto functionality not only, enables you to store and transmit basically anything you write or draw to anywhere in the world but allows you to send whatever you write or draw directly to your nearby personal computer or via the Internet to any computer, mobile phone or information bank in the world. Specific parts of the Anoto pattern can also be given specific functions. This enables an unlimited amount of services such as retrieving information or placing an order directly from a mail order catalogue, newspaper or magazine using the digital pen enabling Anoto functionality.

Anoto is creating a global de facto standard for paper-based communication by bringing pen and paper into the digital world. In Japan, the Anoto Consortium (operated by Anoto Communications Ltd.) was recently established, intended to act as a platform for a large group of industrial partners.

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■ Co-establish and provide the Digital Pen Solution

<Co-development>

Hitachi and Anoto will together develop an extension of the Anoto concept, the EPLS, to incorporate functionality suitable for larger corporations and organizations. The solution will be utilized not only in the e-Government field, but also for corporate, financial, medical and amusement fields.

<Selling>

Hitachi and Anoto will both provide the EPLS solution for the Japanese and overseas markets.

About Hitachi:

Hitachi, Ltd., headquartered in Tokyo, Japan, is one of the world's leading global electronics companies, with fiscal 2000 (ended March 31, 2001) consolidated sales of 8,416 billion yen (\$67.9 billion*). The company manufactures and markets a wide range of products, including computers, semiconductors, consumer products and power and industrial equipment. For more information on Hitachi, Ltd., please visit Hitachi's Web site at <http://global.hitachi.com>

*At an exchange rate of 124 yen to the dollar.

About Anoto AB

The company Anoto AB was founded in Lund, Sweden in late 1999 as a fully owned subsidiary of C Technologies AB. The company Anoto currently has over 220 employees working in offices in Lund, Stockholm, Boston, Tokyo and Hong Kong. www.anoto.com

C Technologies AB (publ) was founded in 1996 and is a well-established Swedish high-technology company. C Technologies holds cutting-edge expertise in the fields of digital camera technology, image processing. The C Technologies Group, which also comprises the subsidiaries Anoto AB and WeSpot AB, currently has over 300 employees and offices located

in Lund, Stockholm, Boston, Tokyo and Hong Kong. Major shareholders include company founder Christer Fåhraeus, Capital Group and Ericsson. C Technologies' share is listed on the O-list of the OM Stockholm Exchange (Attract 40). www.ctechnologies.se

A global de facto standard for digital paper

Anoto is currently creating a global de facto standard for digital paper. Anoto thereby unites one of mankind's most preferred ways of communicating, pen and paper, with the tremendous power of the digital world. This combination is Anoto functionality.

There are several underlying technologies behind Anoto functionality, such as pen technology, server technology and paper technology as well as Bluetooth™ communication.

It is all these technologies that make Anoto functionality as intuitive, spontaneous and individual as possible for the end user. Anoto functionality makes sure that pen and paper remains pen and paper even when digital services are available.

A network of partners

Anoto is establishing the de facto standard through a network of partners from a wide range of industries: Mobile phone industry, traditional pen and paper industry, operators, software developers only to mention some. Till now, Anoto has established about 50 partnerships in Europe, USA and Asia.

■ Exhibition

At Hitachi's e-Government Showroom, "CyberGovernment Square"
(<http://www.hitachi.co.jp/cgov>)

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Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
