

**PUBLIC ANNOUNCEMENT UNDER REGULATIONS 3, 4 READ WITH 5(1) AND REGULATION 13(2)(e), AND 15(1) OF
SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS)
REGULATIONS, 2011**

Open offer (the “**Offer**”) for acquisition of up to 70,00,990 (seventy lakh nine hundred and ninety) fully paid-up equity shares of face value of Rs. 10 (Rupees Ten) each from the public shareholders of Hitachi Home & Life Solutions (India) Limited (the “**Target Company**”) by Johnson Controls, Inc. (the “**Acquirer**”) along with Hitachi Appliances, Inc. (the “**PAC1**”) and Hitachi Ltd (the “**PAC 2**”), each in its capacity as a person acting in concert with the Acquirer (collectively, the “**PACs**”).

1. Offer Details

- a) **Offer Size:** Up to 70,00,990 (seventy lakh nine hundred and ninety) fully paid-up equity shares of face value of Rs. 10 (Rupees Ten) each of the Target Company (each an “**Equity Share**”), representing the 25.748% of fully diluted voting equity share capital of the Target Company (the “**Voting Share Capital**”), as of the tenth working day from the closure of the tendering period.
- b) **Offer Price/ consideration:** Rs. 821.38 per Equity Share calculated in accordance with Regulation 8(3) of the Securities and Exchange Board of India (Substantial Acquisition Of Shares and Takeovers) Regulations, 2011 (the “**SEBI Regulations**”) and will be subject to any upward revisions, if applicable.

The detailed public statement (the “**DPS**”) to be issued under the SEBI Regulations shall be published no later than 5 working days after the completion of the Global Acquisition (as defined below) in accordance with the terms of the relevant agreements for the Global Acquisition pursuant to proviso to Regulation 13(4) of the SEBI Regulations. Accordingly, if the Acquirer and PACs proceed with the Offer, the interest computed at the rate of 10% per annum on the Offer Price from the Announcement Date (described herein below) until the date of the DPS will be paid together with the Offer Price in accordance with Regulation 8(12) of the SEBI Regulations.

- c) **Mode of payment:** The Offer Price will be paid in cash, in accordance with Regulation 9(1)(a) of the SEBI Regulations.
- d) **Type of offer:** The Offer is a mandatory offer in compliance with Regulation 3 and Regulation 4 read with Regulation 5(1) of the SEBI Regulations. The thresholds specified under Regulation 5(2) of the SEBI Regulations are not applicable. This Offer is not subject to any minimum level of acceptance.

2. Transaction which has triggered the Open Offer obligations (underlying transaction)

Details of underlying transaction						
Type of transaction	Mode of transaction	Shares/voting rights acquired/proposed to be acquired		Total consideration for shares/voting rights acquired (Rs. in crore)	Mode of payment	Regulations which has triggered
		Number	% vis-à-vis total equity / voting capital			
Indirect acquisition	On January 21, 2015 (the “ Announcement Date ”), the Acquirer and the PACs, through a master transaction agreement and terms thereof (the “ MTA ” or “ Transaction Document ”), have agreed to establish a joint venture (the “ Joint Venture ”) with respect to PAC1’s global air conditioning business. A joint venture company will be incorporated subsequently (the “ JV Co ”), and which at the closing under the MTA (the “ Closing ”) will be owned 60% directly or indirectly by the Acquirer and 40% directly or indirectly by the PAC1. The assets to be contributed to the JV Co, in accordance with the provisions of all applicable laws, will include all of the Equity Shares of the Target Company owned	Acquisition of such number of shares of the JV Co directly or indirectly by the Acquirer constituting 60% of the issued and outstanding equity shares of the JV Co. PAC1 shall directly or indirectly hold the remaining 40% of the	Acquisition by the Acquirer, directly or indirectly, of 60% equity shares of the JV Co (which directly or indirectly will hold 74.252% of the issued Equity Shares of the Target Company).	Not applicable, since this is an indirect acquisition and as on date, there is no separate value allocated with respect to the Target Company.	Not applicable, since this is an indirect acquisition.	Regulation 3 and Regulation 4 read with Regulation 5(1) of the SEBI Regulations

	by PAC1 and its affiliates, which collectively constitute 74.252% of the issued Equity Shares of the Target Company. The JV Co may hold the Equity Shares of the Target Company through one or more subsidiaries (the “ Global Acquisition ”). Under the terms of the MTA, the parties thereto may allocate separate value to each business contributed to the JV Co. under the Global Acquisition.	equity shares of the JV Co. The JV Co will directly or indirectly hold 74.252% of the issued Equity Shares of the Target Company.				
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3. Acquirer / PACs

Details	Acquirer	PAC1	PAC2	Total
Name of Acquirer/PACs	Johnson Controls, Inc.	Hitachi Appliances, Inc.	Hitachi Ltd.	Not Applicable
Address	5757 N. Green Bay Avenue Milwaukee, WI 53209	Hitachi Atago Bldg. 15-12 Nishi Shimbashi 2-chome Minato-ku, Tokyo 105- 8413Japan	6-6, Marunouchi 1- chome Chiyoda-ku, Tokyo, 100-8280 Japan	Not Applicable
Name of the Group, if any, to which the Acquirer/PACs belongs to	Johnson Controls Group	Hitachi Group	Hitachi Group	Not Applicable
Pre transaction	As on the date of this PA,	PAC1 holds 72.414% of	PAC2 does not	PAC1 and PAC2

shareholding: a) Number b) % of total share capital	the Acquirer does not hold any shares in the Target Company.	the issued Equity Shares of the Target Company.	directly hold any Equity Shares of the Target Company. An affiliate of PAC2 holds 1.839% of the issued Equity Shares of the Target Company.	(directly or indirectly) collectively hold 74.252% of the issued Equity Shares of the Target Company.
Proposed shareholding after the acquisition of shares which triggered the Open Offer (not taking into account the Equity Shares validly accepted in the Offer, if any)	The JV Co, either directly or through one or more subsidiaries, will hold 74.252% of the Target Company. Following the completion of the Global Acquisition in accordance with the provisions of the MTA, the Acquirer shall directly or indirectly hold 60% shares of the JV Co and PAC1 shall directly or indirectly hold the remaining 40% shares of the JV Co.			74.252%
Any other interest in the Target Company	None	As on date, PAC1 is one of the Promoters of the Target Company. PAC1 and an affiliate of PAC2, Hitachi India Pvt. Ltd. constitute the Promoter Group of the Target Company. The Promoter Group controls the management and policy decisions of the Target Company and the day-to-day operations of the Target Company	An affiliate of PAC2 holds 1.839% of the issued Equity Shares of the Target Company and is part of the Promoter Group of the Target Company.	Not Applicable

4. Details of selling shareholders

Not applicable, as the Offer is being made on account of the Global Acquisition resulting in an indirect acquisition of control over the Target Company by the Acquirer; and not as a result of any direct acquisition by the Acquirer of Equity Shares, voting rights in or control over the Target Company.

5. **Target Company**

- a) Name: Hitachi Home & Life Solutions (India) Limited.
- b) Registered office: 9th Floor, Abhijeet, Mithakhali Six Roads, Ahmedabad, Gujarat (380 006).
- c) Exchanges where listed: Equity Shares are listed on the BSE Limited (scrip code: 523398) and the National Stock Exchange of India Limited (Symbol: HITACHIHOME, ISIN: INE782A01015).

6. **Other details**

- a) Pursuant to the Global Acquisition under the MTA, JV Co (which is yet to be incorporated and in which the Acquirer will directly or indirectly hold 60% of the shareholding with PAC1 holding the remaining 40% of the shareholding of the JV Co, directly or indirectly, pursuant to the Global Acquisition) and / or one or more of its subsidiaries may join as a “person acting in concert” with the Acquirer for this Offer. The JV Co will thus hold the Equity Shares of the Target Company either directly or through one or more subsidiaries. JV Co and / or one or more of its subsidiaries may acquire the Equity Shares of the Target Company that are validly tendered in the Offer.
- b) The DPS pursuant to this public announcement which carries all such other information of the offer including the detailed information of the Offer Price, detailed information on the Acquirer and PACs, detailed information on the Target Company, reasons and background for the Offer, statutory approvals for the Offer, details of financial arrangement, other terms of the Offer, conditions to the Offer, etc. shall be published no later than five (5) working days from the date of completion of the Global Acquisition in terms of the SEBI Regulations.
- c) In accordance with the explanation to the proviso to Regulation 13(4) of the SEBI Regulations, the Offer to the public shareholders of the Target Company is subject to the completion of the Global Acquisition. It is clarified that, in the event the Acquirer and the PACs are unable to exercise or direct the exercise of voting rights in, or joint control over the Target Company on account of the Global Acquisition having failed, the Acquirer and the PACs shall not proceed with this Offer. The completion of the Global Acquisition is subject to certain conditions including without limitation legal and statutory approval including but not limited to approval from the Competition Commission of India which will be set out in the DPS and letter of offer for this Offer.
- d) Each of the Acquirer and the PACs undertake that it is aware of and will comply with its obligations prescribed under the SEBI Regulations and that the Acquirer and the PACs have adequate financial resources to meet their obligations under the Offer per the terms of the SEBI Regulations.
- e) This public announcement is not being issued pursuant to a competing offer in terms of Regulation 20 of the SEBI Regulations. The Offer is not conditional upon any minimum level of acceptance in terms of regulation 19(1) of the SEBI Regulations.

Issued by the Manager to the Open Offer

BofA Merrill Lynch

DSP Merrill Lynch Limited

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Contact Person: Abhijit Kedia

For and on behalf of Johnson Controls, Inc., Hitachi Appliances Inc. and Hitachi Ltd.

Place: Mumbai, India

Date: January 26, 2015