

Hitachi Capital Corporation

Strengthening Corporate Governance

Hitachi Capital Shifts to a Committee System

Hitachi Capital Corporation will shift to a new management structure using a committee system starting from June 2003, in line with recent revisions to the Japanese Commercial Code.

Hitachi Capital has formulated growth strategies as part of its medium-term management plan that look ahead to its 50th anniversary. One key management goal is “Attracting and Retaining Customers.” Hitachi Capital is moving to strengthen corporate governance with the view to establishing a fast and efficient framework for business execution that is able to effectively implement the company’s fundamental strategies. In addition, external directors will join Hitachi Capital’s board to help conduct fair and transparent management from an external perspective.

[Purpose of Shift to New Management Structure]

- (1) Dramatic improvement in speed of management—Establishing a clear framework for business execution that will facilitate bold and speedy development of strategic businesses and increase corporate value.
- (2) More transparent management practices—External directors will provide objective opinions regarding Hitachi Capital’s management with the aim of ensuring highly transparent management with a strong commitment to compliance.
- (3) Global management—Hitachi Capital will adopt a corporate governance format that is easily understood by institutional investors based in the U.S. and Europe, its customers and other parties, to foster greater trust in its governance, and to facilitate efforts to promote global business development in the future.