

August 3, 2007

Hitachi Capital Corporation (8586)

## Progress of Gontazaka 3-chome Redevelopment Project in Yokohama

Hitachi Capital Group has advanced the Gontazaka 3-chome Redevelopment Project as its developer. Provided below is a report on the progress of the project.

This is the first joint public-private sector project in which the City of Yokohama invited proposals in a competition format. Having been selected for the project, we are working with the City of Yokohama to realize an effective redevelopment of the Gontazaka 3-chome site.

We will continue to provide the best possible service to assist the City of Yokohama and the region with further development to realize our business policy of providing customer-oriented and community-based services.

### 1. Description of the Project

This project calls for building city-subsidized housing, which will be leased back to the city under a fixed-term lease, and other public housing such as high-quality rental units for the elderly. The project thus aims to improve the convenience of the area and rejuvenate the local economy.

Our proposal that was accepted by the City of Yokohama is as follows:

A community square that combines a residential component with a commercial zone to serve as a place of relaxation, convenience and exchange for the community.

A facility that will become a landmark in the community with attention paid to attractive landscaping, harmony with the surrounding environment, and neighboring safety.

Stable and consistent project operation by an experienced project consortium.

Rejuvenation of the local community through active participation by local businesses.

### 2. Opening of Facilities

The following facilities have been completed and subsequently handed over.

City-subsidized housing: 49 units

All these units are leased by the City of Yokohama according to the city's standards, and will be subleased as city-subsidized housing. The high-quality units were designed for safety and comfort. (Tenant applications are no longer accepted. For details, contact Community Planning and Development Coordination Bureau of the City of Yokohama.)

High-grade rental units for the elderly : 48 units

These high-grade rental units, built to the standards of the City of Yokohama, offer facilities and assistance services that are designed for the elderly. (Tenant applications are no longer accepted. For details, contact Yokohama City Housing Supply Corporation.)

Auxiliary facilities to the residential buildings

- Yokohama Community House (e.g., halls used by the community)
- Clinic (internal medicine and ENT) and pharmacy

Commercial zone

A facility designed foremost for the community, the commercial zone fosters convenience and community exchanges. Tenants are Summit (supermarket), Kojima (discounted appliance store), and CFS Corporation (drug store).

(Project photos)



### 3. Profile of the New Company

We have funded a new company to advance the project. The following is its profile:

- (1) Company name: GONTAZAKA SQUARE Corp.
- (2) Address of main office: 1-1 Gontazaka 3-chome, Hodogaya-ku, Yokohama, Kanagawa
- (3) Operations: Lease and management of buildings and auxiliary operations
- (4) Common stock: ¥35 million
- (5) Shareholder: wholly owned by Hitachi Capital Corporation
- (6) Date established: July 3, 2007
- (7) Directors and auditor

President Ken Ara

Yutaka Yokoyama, Director (non-regular)

Mitsugu Ikeda, Director (non-regular)

Tetsu Sekiya, Auditor (non-regular)

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