

# Pass on the precious earth to the next generation Let's protect our beautiful environment

## 1 Message from the President

With the aim of fitting into the recycling-oriented society, Hitachi Kokusai Electric was certified with ISO14001 for all of its work places. Also, by establishing the Hitachi Kokusai Electric Global Environmental Charter in March 2001 stating that the preservation of the natural environment is one of our highest priorities, we have engaged in the efforts to reduce the load on the global environment.

At present, we are working hard throughout the company to advance our environment-friendly business to fulfill our social responsibilities.

In 2002, we promoted a wide range of environmental activities under the three key themes of Ecological Products, Ecological Factory, and Environment Management.

Regarding the Ecological Products (promotion of environment-friendly products), we decided that all future models will be developed as resource-saving and energy-saving products. We are advancing the development of these products, aiming at a target sales ratio of 60% for fiscal 2003, so that we can offer our customers environment-friendly products. We have already reached the target ratio of 35% for fiscal 2002.

We are also making efforts to completely abolish lead solder used for electrical connection within fiscal 2003.

For the Ecological Factory, we are promoting the prevention of global warming (by reducing carbon dioxide emissions), waste reduction, and management of chemicals.

For the prevention of global warming, we are working to reduce the primary unit of carbon dioxide emission to 25% below the 1990 levels by fiscal 2010. However, the factories that consume a large amount of energy will need to make increased efforts. We will keep working hard on this issue as one of our most important tasks.

Regarding Environment Management, we will carry forward our combined eco-friendly business that involves our affiliated companies and strive to create a recycling-oriented society throughout the entire group. As a corporate citizen, we are also cooperating with local governments and organizations in various social programs, including several natural environment conservation activities, to achieve harmonious coexistence with local communities.

It is our sincere wish that this report will lead our stakeholders to a deeper understanding of the policies and activities of the Hitachi Kokusai Electric group regarding environmental preservation. Any suggestions you may have regarding these policies and activities would be highly appreciated.

June 2003



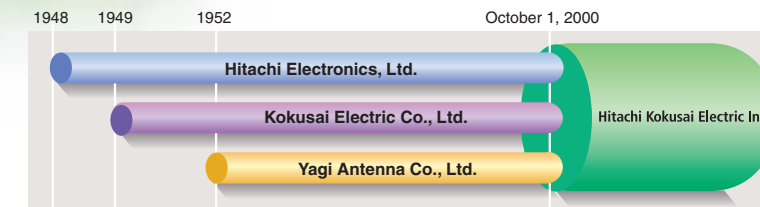
M. Endo

Dr. Makoto Endo  
Chairman Of The Board  
President & CEO

### ■ Corporate profile (as of March 31, 2003)

Company name : Hitachi Kokusai Electric Inc.  
Address : 3-14-20, Higashi-Nakano, Nakano-ku, Tokyo, Japan-Headquarters  
Capital : 10,058 million yen  
Sales : 129,300 million yen (consolidated)  
No. of employees : 5,248 (consolidated)  
Business areas : Communications and information systems, broadcasting and video systems, and semiconductor manufacturing systems

### ■ History



### ■ Scope of business

Classification		Main products
Communications and information systems	Wireless communication systems	Station equipment for digital cellular and car telephones, paging systems, wireless access systems, commercial digital wireless systems, in-house commercial digital wireless communications systems, local area amplification wireless communications systems, wireless communications antennas, assorted equipment for governmental and public communications, disaster prevention information network systems, telemeter systems, digital wireless systems for public utilities, intelligent transport systems (ITS), air traffic control equipment, aircraft communications systems, shipboard communications systems, train communications systems, MCA wireless systems for airport use, GPS/AVM wireless systems, assorted wireless terminals, wireless IP connecting device, and optical communication systems
	Information systems	Stock-price display boards, assorted display boards and displays, securities and financial client server systems, multimedia information display systems, non-contact IC card reader and writer, data collection and distribution systems, hotel Internet systems, and data warehouse systems
Broadcasting and video systems	Broadcasting systems	Digital TV cameras; non-linear transmission system; digital TV relay van; mobile microwave receiving base and automatic tracking digital microwave relay equipment; TV broadcasting equipment; radio broadcasting equipment; FM-ST link; high-power broadcasting systems; relay broadcasting equipment; satellite broadcasting and receiving equipment; TV and radio broadcasting antennas, amplifiers, distributors, and assorted equipment for TV reception; community antenna TV system; cable TV systems; in-house cable TV systems; and equipment for handling radio wave failures and other difficulties
	Image processing and monitoring systems	Cameras and monitors for industrial applications, image recognition systems, medical imaging systems, arrival verification equipment, wide-area monitoring systems (for roads, rivers, and railroad networks), environment monitoring systems, security monitoring systems, broadband LAN usage monitoring systems, large-scale image systems, and displays for simulators
Semiconductor manufacturing systems	Semiconductor manufacturing equipment	Vertical oxidation diffusion/LPCVD systems, load lock vertical oxidation diffusion/LPCVD systems, single-wafer oxidation/LPCVD systems, silicon epitaxial single crystal growth systems, single-wafer plasma CVD systems for liquid crystal manufacturing, ashing equipment, RTP equipment, block control systems, and high-performance tube controllers

<Target period> Fiscal 2002 (Environmental activities from April 2002 to March 2003)  
<Object business institutions> The factories at Chitose, Hamura, Koganei, Omiya, Toyama, and Yagi Memorial Information Communications System Laboratory