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As we make this report

Editorial policy

This report is produced under consultation of "Guidelines for Environmental Report (2003 edition)" issued by the Ministry of the Environment and "2002 GRI Guidelines" by Global Reporting Initiative. We enriched the contents regarding the company's social responsibilities and activities, and therefore changed the title from "Report on the Environment" to "Environmental and Social Report." In order for a wide range of stakeholders to read the report, we have prepared the report both in Japanese and English as well as releasing the report on our home page. (URL <http://www.h-kokusai.com/>)

Report coverage

Target period: Fiscal 2004 (from April 2004 to March 2005)
Object business institutions: Hitachi Kokusai Electric Inc. and 8 domestic affiliated companies

- ◆ Hitachi Kokusai Electric Inc.
 - Toyama Works
 - Hamura Works
 - Koganei Works
 - Omiya Works*
- ◆ Hitachi Kokusai Electric Services Inc.
- ◆ Kokusai Electric Semiconductor Service Inc.
- ◆ Kokusai Electric Techno Service Co., Ltd.
- ◆ Kokusai Denki Engineering Co., Ltd.
- ◆ Hitachi Denshi Technosystem, Ltd.
- ◆ Kokusai Electric Alpha Co., Ltd.
- ◆ Yagi Electronics Co., Ltd.
- ◆ Tohoku Electronics Engineering Inc.

The environmental load and environmental accounting were compiled with the data from the factories marked with ○.
* The Omiya Works that were spun off in October 2004 and changed their name to YAGI ANTENNA INC. continue to compile environmental load data.

Next issue

We have issued the Report on the Environment annually since October 2001. The next report will be issued June 2006.

Status of ISO14001 certification

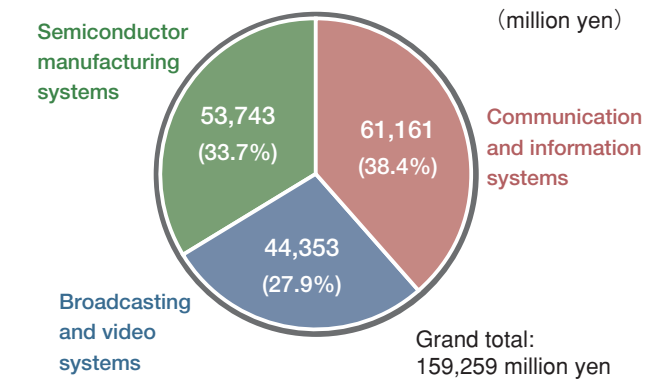
	Sites certified	Date certified	Scope of business
Internal	Toyama Works	1996. 10	Semiconductor manufacturing equipment systems
	Koganei Works	1997. 06	Broadcasting systems, image processing, and monitoring systems
	Hamura Works	1998. 02	Data processing systems and wireless communication systems
Main group companies	Tohoku Electronics Engineering Inc.	1997. 06	Electric appliances, communications and image systems, measuring devices and medical equipment
	YAGI ANTENNA INC.	1998. 12	Antennas, CATV systems
	Kokusai Denki Engineering Co., Ltd.	2000. 07	Wireless communications equipment, beacon equipment, electrical equipment, mobile radio equipment, microcomputer application devices, and computer peripherals
	Kokusai Electric Semiconductor Service Inc.	2001. 03	Manufacturing, maintenance and installation of semiconductor manufacturing equipment
	Hitachi Kokusai Electric Services Inc.	2002. 10	Maintenance and services of Hitachi Kokusai Electric products (excluding semiconductor manufacturing equipment)
	Kokusai Electric Alpha Co., Ltd.	2003. 02	Data processing systems and equipment, semiconductor manufacturing equipment, and ultrasonic application devices
	Hitachi Denshi Technosystem, Ltd.	2004. 11	Image processing and image recognition application products, wireless communication systems, oscilloscopes

Profile

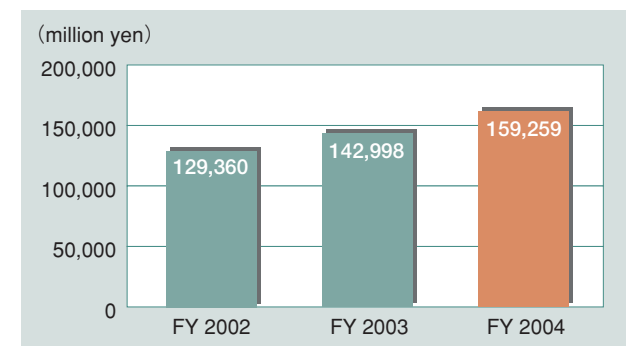
Corporate profile (as of March 31, 2005)

Company name: Hitachi Kokusai Electric Inc.
Head office: 3-14-20 Higashi-Nakano, Nakano-ku, Tokyo 164-8511
Founded: November 17, 1949
Capital: 10,058 million yen
Sales: 159,259 million yen (consolidated)
Employees: 4,684 (consolidated)

Consolidated sales by segment



Consolidated sales



Domestic business institutions/Main manufacturing group companies

Toyama Works
Main products: Semiconductor manufacturing equipment
We develop and manufacture vertical diffusion/CVD systems as well as ALD equipment, digressive systems, and plasma systems in dedicated clean rooms to meet the needs of major manufacturers all over the world.

Akita Prefecture
Hitachi Kokusai Denki Engineering Co., Ltd.*
Yagi Electronics Co., Ltd.

Miyagi Prefecture
Tohoku Electronics Engineering Inc.

Toyama Prefecture
Toyama Works

Saitama Prefecture
YAGI ANTENNA INC.

Tokyo
Koganei Works
Hamura Works

Tokyo
Hitachi Kokusai Denki Engineering Co., Ltd.*
Hitachi Denshi Technosystem, Ltd.

Head Office

Koganei Works
Main products: Communication and information systems, broadcasting and video systems
We develop, design, and manufacture public and communication systems such as disaster prevention information systems and train radio systems, broadcasting systems, monitoring systems, and broadcasting and video systems such as those acting as inspection devices.

* Kokusai Denki Engineering Co., Ltd. and Kokusai Electric Alpha Co., Ltd. were merged in Hitachi Kokusai Denki Engineering Co., Ltd. in April 2005.