



Hitachi High-Technologies' CSR Vision

Leadership Commitment

Putting CSR Into Practice by Creating Value Through **High-Tech Solutions**

Contributing to Society Through High-Tech Solutions

- Businesses and Activities That Contribute to Environmental Preservation
- **Environmental Social Contribution Activities**
- Environmental Action Plan and Environmental Accounting
- Initiatives at Company Offices and Group Companies

Fiscal 2009 Activity Report and Future Challenges

- Management 15
- **Employee Relations**
- Customer and Business Partner Relations
- Corporate Profile and Financial Report

Visit Our Website

This booklet is available on our website in pdf format. For more information about our general corporate activities, please visit our global site at:

http://www.hitachi-hitec.com/global/



Editorial Policy

The CSR Report 2010 is published to update our stakeholders about our current CSR activities. The feature section, entitled "Contributing to Society through High-Tech Solutions," explains how Hitachi High-Technologies Group draws on the unique features of our business to contribute to preservation of the environment. This report also provides a comprehensive account of the group's CSR-related activities, including achievements and future challenges in each area.

Scope of this Report

Organizations:

Hitachi High-Technologies Corporation and its affiliated companies

Report Period:

Primarily from April 2009 to March 2010

Next Scheduled Publication:

June 2011

Reference Guides:

"Environmental Reporting Guidelines 2007," Ministry of the Environment, Japan

Affiliated Companies

Area	Types of Businesses	Company Name
Domestic	Sales	Hitachi High-Tech Trading Corporation Hitachi High-Tech Materials Corporation Hitachi High-Tech Solutions Corporation Hitachi High-Tech Support Corporation Giesecke & Devrient Kabushiki Kaisha
	Service & Manufacturing	Hitachi High-Tech Fielding Corporation Hitachi High-Tech Engineering Service Corporation Hitachi High-Tech Control Systems Corporation Hitachi High-Tech Manufacturing & Service Corporation Hitachi High-Tech Instruments Co., Ltd.
Overseas	Sales & Service	Hitachi High Technologies America, Inc. Hitachi High-Technologies Canada, Inc. Hitachi High-Technologies Ganada, Inc. Hitachi High-Technologies Europe GmbH Hitachi High-Technologies Ireland Limited H.H.T.A. Semiconductor Equipment Israel, Ltd. Hitachi High-Technologies (Singapore) Pte. Ltd. Hitachi High-Technologies (PC (Malaysia) Sdn. Bhd. Hitachi High-Technologies (Thailand) Ltd. Hitachi High-Technologies (China) Co., Ltd. Hitachi High-Technologies (Shanghai) Co., Ltd. Hitachi High-Technologies (Shenzhen) Co., Ltd. Hitachi High-Technologies (Shenzhen) Co., Ltd. Hitachi High-Technologies Korea Co., Ltd. Hitachi High-Technologies Korea Co., Ltd. Hitachi High-Technologies Korea Co., Ltd.
	Manufacturing	Hitachi Instrument (Suzhou), Ltd. Dalian Naka Instruments Co., Ltd.

Hitachi High-Technologies' CSR Vision

The basic philosophy of Hitachi High-Technologies involves "contributing to social progress through business activities that emphasize value creation through high-tech solutions." Shared by all employees and implemented in the workplace, this philosophy constitutes the cornerstone of our CSR activities. It entails a commitment to fulfilling our corporate social responsibilities in all areas, including the environment, society, human rights and the economy.

Environment

Promote environmental conservation activities Promote environmental businesses Conduct environmental contribution activities

Society

Compliance Improve human resource development/health & safety Work together with suppliers and customers Co-exist with local communities

Basic Philosophy

Maintain sound management Enhance reliability of financial reporting Appropriate profit distribution, Fair Trading

Economy

Abolish discrimination Promote equal opportunities and respect for diversity **Ensure fair working conditions**

Human rights

Basic Philosophy

Hitachi High-Technologies Corporation aims to be a successful enterprise trusted by all our stakeholders and contributing to social progress through business activities that emphasize value creation through high-tech solutions. We are committed to open, transparent, and reliable business practices. As we continue to grow, we will value the environment and strive to build a prosperous community, fulfilling our social responsibility and contributing as a corporate citizen with passion and pride in our work.

Corporate Vision

To consistently aim to be Global Top in high-tech solutions

Corporate Culture Policy

- 1. To respect the abilities of every employee and inspire confidence to tackle new challenges.
- 2. To build a vibrant, enterprising company that is open to new ideas.
- 3. To encourage speedy and efficient performance through teamwork.

Business Policy

- 1. To place the customer first, growing with our customers by providing the best solutions, consistently a step ahead of market needs.
- 2. To contribute to value creation in the global community through synergies between our strengths in cutting-edge technologies and our capabilities as an established trading company.
- 3. To aim for reliability and excellence based on our core assets of talent and technical resources. and to maximize our corporate value.

Management Policy

- 1. To aggressively disclose information and conduct business in a highly transparent manner.
- 2. To exercise social responsibility as an environmentally aware corporate
- 3. To conduct legally and ethically sound business activities.

Putting CSR into Practice by Creating Value Through **High-Tech Solutions**

What CSR Means to Hitachi High-Technologies

Fiscal 2009 began in the midst of an unprecedented financial crisis, marking a significant change in the business environment. While the global economy has begun a gradual recovery going into 2010, conditions remain uncertain going forward.

In this environment, CSR activities represent an increasingly important factor for companies seeking to enhance competitiveness and gain the public's trust in order to achieve sustainable growth. Proactive initiatives are required as companies work toward solving a wide variety of issues related to the economy, the environment, and society at large.

CSR is an important management issue at Hitachi High-Technologies. We are working to promote sound corporate management by enhancing corporate governance and rigorously implementing compliance. We also work to fulfill our responsibilities to society by putting CSR activities into actual practice, ensuring that all employees are aware of the common goal set forth in our basic philosophy: to contribute to social progress through business activities that emphasize value creation through high-tech solutions.

Contributing to Environmental Preservation through Technology and Solutions

As we endeavor to achieve a sustainable society, we cannot ignore global environmental problems. At Hitachi High-Technologies, we combine our manufacturing functions (developing products based on cutting-edge technology) with our capabilities as a trading company (delivering optimal solutions world-wide) to generate unique added value and work towards global environmental solutions.

We are utilizing our strengths as a leader in measurement and

analysis technologies to develop new businesses that contribute to the environment, for instance by creating products that support the control of hazardous materials. In April 2009, we established an Energy & Environmental Solutions Division, implementing a structure to promote further development of solutions that will contribute to achievement of a low-carbon society. The word "ecology" lies embedded in the word "technology" in our company name, and in our business activities we use technology to create eco-friendly outcomes.

In the area of environmental management, we have formulated an Environmental Action Plan for our group as a whole, and continue to promote environmental preservation initiatives. In recognition of these efforts, we achieved a number one ranking for seven consecutive years in the trading company category of the Nikkei Inc. Corporate Environmental Management Survey. Going forward, we will continue to promote efforts to preserve the ecosystem (and biodiversity), and work to further enhance our environmental management capabilities. At the same time, we will continue to push forward with environmental preservation activities tied to the local communities with which we coexist, including reforestation and cleanup activities in each of the locations where we do business.

Ensuring Ethics and Integrity

As the world economy recovers, we will face a global paradigm shift. Rapid restructuring of markets is expected to change the economic landscape. With further expansion of global trading and the increased exchanges of personnel, corporations will need more than ever to adhere to a high code of ethics.

I believe that the true nature of compliance goes beyond simple observance of rules and regulations. At the heart, compliance is really a question of a company's ability to respond flexibly and appropriately to the demands of society which underlie those rules, while also responding to the trust society places in us. This is a prerequisite for all of Hitachi High-Technologies' business activities.

At Hitachi High-Technologies, in addition to our traditional training programs, we also conduct compliance questionnaires targeting our entire global workforce. Over the years, these questionnaires have documented both an increasing awareness of compliance issues, and the establishment of compliance-related initiatives. Our basic philosophy is to be a successful enterprise trusted by all of our stakeholders, and to be committed to open, transparent, and reliable business practices. Going forward, we will work to realize these ideals by ensuring that every employee has a firm understanding of ethics and integrity, and is focused on issues of right and wrong over profit and loss, and then acts according to these principles of compliance.

A Company Society Can Count on and Respect

In 2011, we will mark the tenth anniversary of our business integration. We have positioned 2010 as a year for building the foundation for our next ten years of growth, and will be working to promote a variety of initiatives to enable us to grow sustainably.

First, we will disseminate a set of values to be shared by all of our employees, with the aim of cultivating the aspirations and sense of responsibility of each employee, and fostering a sense of unity across our organization as a whole. This in turn will ensure our growth going into the future.

Second, as we push toward greater globalization, we will work to nurture a workforce that respects diversity and has consideration for human rights.

Third, we will accelerate our efforts to create new businesses



Hidehito Obayashi, Ph. D. President. Chief Executive Officer and Director

focused on addressing global issues, including environmental problems, health care, and aging.

My hope is that through these efforts, all Hitachi High-Technologies employees will share our values, respect one another, and develop trustworthy businesspeople with high aspirations and integrity. In this way, society will come to see us as a sincere organization, and we will earn society's respect as a company.

It is our aim to meet to the expectations of society, and with this in mind we will continue to devote the utmost effort to making great leaps toward the future. In this, we ask for the continued support and cooperation of you, our stakeholders.

June, 2010

Solutions that Span the Field of Solar Power Generation

Solar Power Generation: A Growth Area in the Low-Carbon Society

The proactive use of renewable energy, including natural energy sources such as solar, wind, and thermal power, is being promoted as part of efforts to address global warming. In a low-carbon society, solar power is a growth area, increasingly in demand because it offers an inexhaustible energy supply, and because no greenhouse gases are emitted during power generation, giving it a negligible impact on the environment.

Hitachi High-Technologies is utilizing its capabilities in design, manufacturing and trading to contribute to society by providing solutions which cover a broad range of the solar power generation segment.

Contributing to the Assessment of Optic Properties

Solar cells convert light energy directly into electrical power. In developing such cells, a critical issue is how to pull in the greatest amount of sunlight possible given that the angle of the incoming light changes with the time of day and the season, and then how to most efficiently convert that light into electricity.

For example, the anti-reflective coating used on polycrystalline silicon solar cells is designed to increase power generation efficiency by preventing incoming sunlight from escaping as reflected light. In addition, glass panels incorporate a surface-textured substrate consisting of a structure of microscopic pyramids, which allow sunlight to penetrate, reflect, and scatter, enabling more light to be drawn into the power-generating layer than with a flat surface.

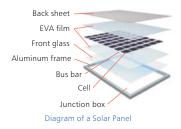
Hitachi High-Technologies has developed U-4100 UV-Visible -NIR



U-4100 UV-Visible -NIR Spectrophotometer

Spectrophotometer, used for measuring the transmittance and reflectivity of light in research and development of antireflective coatings, glass panels, and other solar cell-related components. By enabling researchers to change the angle of the light source, measure the resulting transmittance and reflectivity, and assess diffusion and other properties, this technology is useful in improving efficiency both in gathering sunlight and converting it to electric power.

Using Trading Company Capabilities to Cover Entire Supply Chain



In the trading division, Hitachi High-Technologies is developing a business to cover the entire solar power supply chain, from solar cell panel components, to manufacturing equipment, to the panels themselves.

In the materials sector, we sell a various range of diverse panel components, from cells to back sheets. With demand increasing, we are working to ensure a stable supply both in terms of delivery times and quantities, but we are also working to respond with speed to the needs of our customers, offering one-stop shopping to solar cell manufacturers worldwide and ensuring that we can supply them with whatever components they may need. By carrying a wide range of components, we have a better understanding of the characteristics of the various components, and are better able to offer solutions that help reduce costs.

In the manufacturing equipment sector, we primarily sell testing and lamination equipment to overseas solar cell manufacturers, pro-

viding proposals for automating production lines and contributing to enhanced productivity. This business is evolving rapidly as products using new materials continue to be developed. Key issues in this area include improving power generation efficiency, delivering durability, and lowering costs.

Hitachi High-Technologies is



contributing to the spread of solar power generation by keeping tabs on the latest information through domestic and overseas networks, and by providing our customers with the optimal solutions for their needs, thus playing a part in the prevention of global warming.

Solar Cell Systems for Regions Without Electricity in Indonesia

In Indonesia, approximately 40% of all households do not have access to electricity. To provide power to these areas of Indonesia, Hitachi High-Technologies is working with local systems integrators and battery manufacturers to develop solar power systems business suited to the unique needs of the region.

Indonesia has enjoyed rapid economic growth, but still suffers from planned blackouts in many metropolitan areas as the supply of electrical power has yet to catch up with demand. In addition, the country faces the geographic pressures of having to deal with more than 17,000 islands, and bringing the electrification ratio up in areas outside of Java island is a major issue.

Hitachi High-Technologies has a track record of providing solar cell-powered systems used in satellite telephone base stations in some of these regions without electricity. We are working to



Visiting a region without electricity

expand the use of new solar-powered systems based on requests from and electrification measures established by the Indonesian government

Our proposal is a village-based method consisting of power

VOICE

Urip Fanfani

Jakarta Representative Office Hitachi High-Technologies IPC (Malaysia) Sdn.Bhd.

Access to electrical power, even in small amounts, means more to the local people than any of us can imagine. I look forward to seeing this business play a part in resolving social issues, and to contributing to my home country.



generation systems installed in cargo containers, which are then placed in individual villages. This system takes the power generated by solar panels and stores it inside the container, from which individual residents can then charge their batteries as needed.



Village-based solar power system

The containers can be moved as necessary and even if a network of transmission lines is eventually established in a particular region, the system can be moved for reuse in another location, avoiding the need to dispose of the equipment and conserving resources. To address the issue of dealing with equipment maintenance on outlying islands and in other remote regions, we worked with the Indonesian government and local enterprises to establish a system for providing postinstallation equipment servicing.

While the use of renewable energy contributes to the prevention of global warming, at the same time the spread of electric power leads to the future development of small industries, better water purification, access to television and Internet devices, and plays a role in raising the quality of life in the region.

VOICE

Hideki Iida

Opto-devices Dept. Electronic Materials Div. Hitachi High-Technologies

I visited one of the regions without electricity, traveling five hours by car, and another two hours by bike and on foot. Interacting with the local people, and enjoying their heartwarming hospitality, I keenly felt the importance of contributing to society through business.



Automotive Devices That Contribute to the Low-Carbon Society

Business development consistent with the widespread use of lithium-ion batteries for automotive applications

In order to help prevent global warming, companies across a wide variety of industries are working to reduce greenhouse gases. In the automobile industry, which has a large impact on the environment, development of electric and hybrid vehicles is being promoted as a way to address the problem of automobile emissions and to make more effective use of limited fossil fuels. These vehicles feature a diverse range of technologies, from those relying on external power supplies to solar-powered and fuel cell vehicles with internal power generating devices. Lithium-ion batteries are gaining particular attention for their performance and cost. They will likely to lead the market by around 2030, although many issues to tackle still remain, such as achieving greater safety, higher energy density, and longevity (improved recharging cycle life).

Hitachi High-Technologies will continue to support development of environmentally-conscious vehicles, by providing lithium-ion battery manufacturing systems, devices, and materials that enhance the performance of the products.

Optimal Production Systems for Superior Products

Through our trading divisions, we provide a wide variety of lithium-ion manufacturing systems, which are designed to specifications from domestic and overseas battery and automobile makers. What distinguishes us is our global network to deliver optimal manufacturing systems to customers worldwide

What are Lithium-Ion Batteries?

Lithium-ion batteries are a type of rechargeable (secondary) and reusable batteries. They are compact and lightweight, and charge quite efficiently. Widely used in mobile phones and



laptop computers, lithium-ion batteries are also attracting attention as a way to power electric and hybrid vehicles, which contribute to environmental preservation by reducing CO2 emissions.



Automated Assembly System for Lithium-Ion Batteries

Our automated assembly system provides high-speed and high-precision handling of parts, including positioning, cutting, and bending, to achieve stable, high-volume production and reduced costs. Our roll press machine improves the quality of the products with its ability to correct roll flexures to achieve a uniform molecular distribution in the electrode plates, which is one of the key factors for battery performance.

Going forward, we will keep contributing to the rapid increase of electric and hybrid vehicles by providing systems designed to further streamline the production process and improve the production volume per unit of time.

Katsushi Aiga

Energy & Environmental Solutions Dept. 1 Energy & Environmental Solutions Division, Hitachi High-Technologies

I feel there is great value in being able to contribute through business to the efforts of addressing global environmental problems. Building on what is achievable today enables us to achieve what needs to be done for the future. The lithium-ion battery market is growing rapidly, and we



will continue to push ahead with our efforts as both product development and solutions to environmental problems are becoming urgent.

VOICE

Tomoki Hattori, Yoshihiro Hattori (from left in photo) Energy & Environmental Solutions Dept. 1 Energy & Environmental Solutions Division,

Hitachi High-Technologies



We are working to develop complete solutions, providing materials which contribute to environmental preservation in a wide range of fields. The market for automotive lithium-ion batteries is one area in which we are aggressively expanding our eco-friendly business.

Procuring High-Quality, Reliable Materials

In order for lithium-ion batteries to achieve their maximum performance, it is essential that the parts from which they are assembled should be made from appropriate materials. These materials, while not visible from the outside, are a core component of these products.



Copper foil film used in batteries

Manufacturing batteries requires a variety of materials, including copper foil film and aluminum foils, electrolytes, and microporous membrane separators. What is important is not the simple procurement of commodity products, but that customized materials are developed and procured in accordance with customer requirements. Providing such materials is the first step in ensuring that the full potential of safe, highly efficient lithium-ion batteries is achieved.

Hitachi High-Technologies works to procure the optimal materials from all over the world, providing a wide range of materials essential to battery manufacture, and ensuring those batteries achieve their maximum capabilities. We also provide materials not only for the lithium-ion batteries used in automobiles, but also for storage batteries used in smart grids*, contributing our efforts to prevent global warming across a wide range of fields.

Tiny Chips Make a Big Contribution to Enhancing Automotive **Environmental Performance**

To date, we have provided IC chips to overseas manufacturers of batteries and modules for use primarily in mobile phones and lithium-ion batteries. In recent years, use of IC chips has expanded to include



High-speed data transmission IC chips used in automobiles

power-assisted bicycles and onboard automotive uses, and we are working to develop new devices in response to customer needs.

Currently, a typical automobile may have on board more than one hundred IC chips, and they will become still more important as vehicles shift increasingly to electric power. For example, lithium-ion batteries, which will become a key component of powering electric vehicles, require a device called a battery (=Cell) control IC, which monitors and controls the charge and release of power from the battery itself, ensuring the safe operation of the vehicle. We also provide digital highspeed data transmission IC chips for use in automobiles. These chips, which work with digital equipment such as car navigation systems and onboard cameras, make instantaneous, two-way transmission of large volumes of data possible, thus reducing the number of transmission cables that need to be wired into the vehicle and improving mileage and energy conservation by reducing vehicle weight.

Utilizing our trading capabilities, Hitachi High-Technologies will continue to develop and provide the optimal IC chips to meet the specifications of our customers and the market, contributing both to the growth of the automotive industry and to environmental preservation.

VOICE

Yosuke Kido, Mitsuhide Aokake, Koji Akiyama (from left in photo) Energy & Environmental Solutions Dept. 2 Energy & Environmental Solutions Division, Hitachi High-Technologies

The devices we provide encourage the spread of electric vehicles and improvements in mileage, as well as the enhancement of their environmental performance. We continue to take on the challenge of new initiatives for the future of our planet.

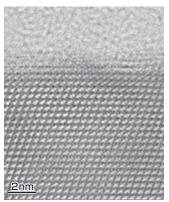


^{*}Next-generation power transmission systems utilizing IT to optimize the delivery of power.

High-Performance Analytic Equipment Contributing to Growth of Environmental Businesses

Contributing to Environmental Performance Through Atomic-Level Analysis

At Hitachi High-Tech Manufacturing & Service Corp., cuttingedge electron microscopes manufactured and sold by Hitachi High-



The positive electrode material of a lithium-ion battery as viewed through an electron microscope

Technologies are used in outsourced services analyzing the composition and structure of customer-provided specimens. Recent years have seen a growing number of requests for analysis in the environmental sector, including of materials used in lithium-ion batteries and transparent conductive coatings used in solar cells, and such requests now represent 20-30% percent of the total.

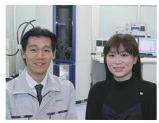
In development of lithium-ion batteries, electron microscopes are used to analyze the distribution of lithium at the atomic level, making it possible to enhance battery performance. We are continuing to work on improving our technology, hoping that the results of our analysis will contribute to environmental preservation efforts through customers' products.

TVOICE

We have made significant improvements in the way we perform observations with electron microscopes. including reducing the amount of chemical solvents used in preparing specimens. Our analysis work also serves to support research that contributes to the environment, both aiding environmental preservation and helping companies grow.

Toshiaki Tanigaki, Chiyumi Kaneko

(from left in photo) Service Division, Analysis Outsourcing Center Hitachi High-Tech Manufacturing & Service Corp.



Environmental Initiatives through Monozukuri

Promoting Development of Eco-Products

The Hitachi High-Technologies Group seeks to minimize the environmental impact of products at all stages, from manufacture through final disposal. The Hitachi Group has therefore introduced the Design for Environment Assessment System, which evaluates product development across eight categories, including resource reduction, recyclability, and ease of disassembly and disposal. The assessment results in products that use less energy and smaller products that use fewer materials and require less energy to transport, thus helping to advance the development, design and manufacture of products with a low environmental impact.

By increasing the share of such eco-friendly products in our overall product line, and bringing to market products with low environmental burden, we are working to contribute to the realization of a more sustainable society.

VOICE

Hitachi Scanning Transmission Electron Microscope HD-2700

Hideki Kikuchi, Kazutoshi Kaii (from left in photo)

Advanced Microscope Systems Design 2nd Dept. Naka Division

Nanotechnology Products Business Group Hitachi High-Technologies





In developing this product, we worked to improve not only operability and image resolution, but also environmental performance. For instance, we reduced observation times, resulting in lower power consumption per scan (down 26% compared to previous models), and improved the recyclability of materials used.

Contributing to Global Environmental Preservation through Reforesting

Helping to Prevent Global Warming

The Hitachi High-Technologies Group undertakes reforestation activities with the goals of contributing to environmental preservation through the prevention of global warming, and of promoting interaction with local communities.

Under the "Corporate Forests" program sponsored by the Forestry Agency, Hitachi High-Technologies leases a portion of national forestry land in Ishioka city, Ibaraki Prefecture, where we have established the Hitachi High-Technologies Yasato Forest. In April 2005 we planted 5,600 cypress saplings there. As a result of ongoing maintenance over subsequent years, the trees, which were approximately 30 centimeters high at the time they were planted, have now grown to over 4 meters in height.

Hitachi High-Tech Fielding Corp. has utilized the same program to establish the HISCO*1 Forestry project, which leases land in Hitachi City, Ibaraki Prefecture, (8,000 saplings planted in April, 2002) and in Inabe City in Mie Prefecture (2,300 saplings planted in November, 2003).

Going forward, we will continue to maintain these forests over the 60-80 years before they mature and can be harvested, contributing to the preservation of the global environment and the prevention of global warming.

Employees and Their Families Take the Lead

In order to thrive, these corporate forests require ongoing maintenance, including clearing of underbrush*2 and thinning of growth. Each year, Hitachi High-Technologies Group new employees, other employee volunteers, and their families take on this task. In fiscal 2009, new employees, as well as many volunteers from nearby offices and Group companies and their families, participated in clearing underbrush at both the Hitachi High-Tech Yasato Forest and at the HISCO Forest in Ibaraki



Yasato Forest, in April 2005 at the start of planting (left), and in October 2009, during cutting of underbrush (right)

VOICE

Tsuyoshi Horiguchi

Forest Relations Officer Ibaraki Forestry Management Office

An increasing number of corporations are getting involved in reforestation projects, in part to help prevent global warming and preserve our national lands. I hope many Hitachi High-Technologies employees will participate in the Hitachi High-Tech Yasato Forest project, and continue to spread the word about the



forestation movement. We support these reforestation efforts, and hope that through these activities, participants can learn about the importance of our forests and the fun that comes with helping to build them.

In addition to Hitachi High-Technologies' activities, employees also contribute to forestry development by participating in other domestic reforestation projects promoted by the Hitachi Group. In Hokkaido, they support the prefecture's Hokkaido Corporate Forestry Project, and in 2008 planted 3,000 larch saplings in Mukawa-cho, Yufutsu-gun. In fiscal 2009, they continued to work on nurturing the forest through underbrush cutting. In the Chugoku region, as part of the 50th anniversary of the opening of Hitachi Ltd.'s Chugoku affiliate and also Hitachi High-Technologies Corporation Chugoku Branch Office, employees planted 560 saplings in Hiroshima Prefecture's Chuo Shinrin Park. The group will continue to promote such reforestation activities, contributing to environmental preservation and the prevention of global warming.

Effect	Result	Physical Volume
Absorption/storage of CO ₂	85 tons absorbed	Equivalent to the annual CO ₂ output of 260 people
Watershed cultivation*3	2,100 cubic meters added	Equivalent to 1,049,000 2-liter PET bottles
Sediment runoff prevention	45 cubic meters prevented	Equivalent to nine 10-ton truck loads

(2005-2008, cumulative)

- *1 HISCO: Taken from the initials of the former English-language name of Hitachi High-Tech Fielding, formerly Hitachi Instruments Service Co., Ltd.
- *2 Clearing of weeds and other underbrush which can interfere with the growth of saplings after planting.
- *3 Contributes to easing of floods, droughts, and improvement in water quality; assessed by the increase in the volume of water infiltration due to the presence of forested land.

Environmental Activity

Evaluation of the Fiscal 2009 Environmental Action Plan and Environmental Accounting / Fiscal 2010 Environmental Action Plan

Evaluation of fiscal 2009 performance ■: Target achieved ▲: Needs improvement

aluation of the riscal 2009	Environmental Action Plan	and Environmental Accounting / Fiscal 2010 Environmental Action Plan	: Target a	criieved /	. Needs I	improvem	CITC
Category	Subcategory	Main initiatives and results in fiscal 2009	Achievement Rating	Fiscal	vironmenta 2008	Fiscal	2009
Establishment of	4 NELL 15 1 1 1 1			Cost	Investment	Cost	Invest
a corporation that creates	Nikkei Environmental Management Survey	Ranked first for seven consecutive years in the trading company category of the Nikkei Environmental Management Survey conducted by Nikkei Inc.		_	_	_	_
nvironmental values	2. Environmental activities	Green 21 result: 1,186 points, including affiliated companies (target: 1,152 points)					
	Environmental management	Strengthened Group environmental management, including by continuing to hold Environment Officer Block Meetings		514	_	510	-
Eco-mind & Global Environmental	Environmental management system	Maintained and improved the integrated environmental management system of the Hitachi Group Acquired ISO14001 certification for Chinese business group (4 sites) and supported preparations for certification by other sites					
Management	3. Environmental *1	Ensured that environmental accounting is firmly established at major Group companies in Japan					
	4. Environmental education	Encouraged employees to take Hitachi Group e-learning courses Implemented environmental education in rank-specific training programs		58	_	51	-
Next Generation	1. Eco-products	Registered 4 new products manufactured at the Naka site, achieved target Eco-Product ratio of 80% Registered 14 new products (including 2 Super Eco-Products) across the Group		1,078	-	854	-
Products & Services	Control of hazardous substances used in products and environmentally CSR-compliant Monozukuri	Continued activities to control hazardous substances used in products Began environmentally CSR-compliant Monozukuri activities at overseas sites					
	Global warming prevention	Reduced domestic CO ₂ emissions by 24% (from fiscal 1990 base level) Reduced CO ₂ emissions per unit of domestic production: Targets not met at certain sites		184	229	219	2
Super Eco-factories	Resource recycling promotion	Reduced waste by 28% at major domestic sites (compared to target of 16% reduction from fiscal 2000 base level) Improved resource recycling rate to 26% at major domestic sites (compared to target of 10% from fiscal 2005 base level)		169	17	169	
& Offices	Chemical substances management	Reduced VOC emissions by 52% (compared to target of 45% from fiscal 2000 base level; total of individual site targets)					
*2	4. Eco-factories & offices	Reduced electricity use at Hitachi High-Technologies headquarters building by 8% (compared to target of 1% from fiscal 2008 base level)		159	175	137	
Worldwide Environmental	Environmental communication *3	Published CSR Report 2009 (Japanese/English/Chinese); distributed to all shareholders and employees Issued Naka Division Environmental Site Report Set up environmental corners at factory open house days, responded to survey and tour requests		19	-	33	
Partnership	Global citizenship activities	Business units implemented environmental activities in local communities Undergrowth thinning in the Hitachi High-Tech Yasato Forest by employees and their families					
nvironmental accounting tabulation		stic branch offices and divisions), domestic manufacturing companies and certain sales companies.	Total	2,181	421	1,973	

¹⁾ Scope: Hitachi High-Technologies Corporation (headquarters, domestic branch offices and divisions), domestic manufacturing companies and certain sales companies.

²⁾ Reporting period: April 1, 2009-March 31, 2010

³⁾ Costs: Includes labor, R&D, depreciation, etc. (Compound costs, which include costs for environmental protection and costs for other purposes, are included by extracting the parts specific to environmental protection.) 4) Results: Real income = income obtained through activities related to environmental protection; Cost reduction = cost reduction due to the environmental impact reduction plan (not including estimated reduction activities)

^{*2.} Because production decrease as a result of the market slowdown, actual results for fiscal 2009 greatly exceeded targets.

^{*3.} We incurred no violations of environmental laws and regulations. We responded appropriately to comments and complaints from outside the company.

(Unit: million yen/year)

Fiscal 2009 Results				
Real Income	Cost Reduction	Main environmental initiatives in fiscal 2010		
	-	Maintain a high rank in the Nikkei Environmental Management Survey		
-		Achieve a Green 21 rating of 1,280		
		Support preservation of the ecosystem (biodiversity)		
		Complete implementation of environmental management system in line with tightened environmental regulations Proactively incorporate environmental management into business strategy		
-	-	Continue working within the integrated environmental management system of the Hitachi Group Extend environmental management systems to overseas affiliated companies		
		Continue to ensure that environmental accounting is firmly established and functioning		
-	_	Encouraged employees to take Hitachi Group e-learning courses Foster environmental consciousness in employees and their families		
ı	-	Achieve Eco-Product qualification rate of 80% for new products at Naka site Register more products as Super Eco-Products		
		Ensure ongoing rigorous management of hazardous substances in products Ensure ongoing compliance with national and regional laws and regulations (EU ROHS, REACH, other)		
-	25	Reduce domestic CO ₂ emissions by 12% (from fiscal 1990 base level) Promote reductions in CO ₂ emissions per unit of domestic production		
33	1	Reduce industrial waste by 20% (from fiscal 2000 base level) Increase ratio of recycled resources to over 10% (from fiscal 2005 base level)		
		Reduce VOC emissions by 52% (from fiscal 2000 base level)		
_	_	Promote eco-factories (industrial wastewater management) Promote reduction of electricity use at Hitachi High-Technologies headquarters building		
-	_	Ongoing promotion of communication with stakeholders • Publish CSR Report and Environmental Site Report • Open up business sites and offices for tours and observations, and respond to surveys and questionnaires		
		Help to plan volunteer activities and encouraging employees to volunteer in local community environmental projects		
33	26			

Environmental Activity Highlights

Ranked First for Seventh Consecutive Year in the Trading Company Category of the Nikkei Environmental Management Survey

In the 13th Environmental Management Survey conducted by the Nikkei Inc., we ranked first in the trading company category for seven years in a row.

This ranking recognized the overall accomplishments of the Hitachi High-Technologies Group in the area of environmental activities, based on the Environmental Action Plan. Going forward, we will maintain and improve the Group's level of environmental activity.

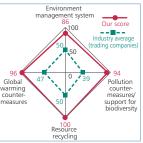
Installation of a Wet Shredder at Headquarters Building

Hitachi High-Tech Support Corporation has installed a wet shredder at the headquarters building of Hitachi High-Technologies, putting into operation a highsecurity paper recycling system. When they are no longer needed, internal documents on printer paper are inserted at collection posts. They are then placed in the shredder where water is added to soften the paper before it is turned into pulp. The pulp is then recycled into "Hitachi Recycled Paper" at a paper mill, allowing for reuse and recycling of paper resources.

Expanding the PET Bottle Cap Collection Activities

The Hitachi High-Technologies Group supports an activity in which we collect PET bottle caps at our business sites and use the money gained from selling them to buy vaccines for children in developing countries. The program began at the headquarters building in 2005, and has since spread to the Ibaraki,

Chugoku, and Tsukuba branches, as well as management training centers and Hitachi High-Technologies Control Systems Corp. We will continue to work to support preservation of the global environment and the health of children around the world.



Our Score



A wet shredder



Printer paper turned into pulp



Bottle caps collected at the headquarters building

Fiscal 2009 Bottle Cap Collection Results			
Amount collected (by weight):	381kg		
Number of caps collected:	152,400		
Amount of CO ₂ offset	1.2 tons		
Amount of polio vaccine purchased:	191 doses		

Initiatives at Company Offices and Group Companies

Support for Science Education

Observing Nature Through Electron Microscopes

As part of our support for science education in schools, Group companies participate in several ongoing projects that introduce students to the wonders of nature as viewed through electron microscopes.

Electron Microscope Workshop Held in Iwanuma City, Miyagi Prefecture Sendai City, Miyagi Prefecture

Tohoku Branch Office, Hitachi High-Technologies

In July, 2009, the Tohoku Office cooperated in an event titled "An Introduction to the Micro World: A Chance for Paretns and Children to Peek into the Amazing World of 10,000-times Magnification." The event was sponsored by Iwanuma City in Miyagi Prefecture and its Board of Education, and took place at the Iwanuma Civic Hall

Designed to give participants a hands-on look at the world through an electron microscope, the event was held in hopes of inspiring participants to be interested in science. About 130 pre-school, elementary, and middle school students and their guardians attended, getting a close-up look at everyday

items through our the Tabletop Microscope. Participants also had the exciting opportunity to make their own simple microscopes. We hope that these kinds of events will contribute in many ways to encouraging children to stay engaged in science



Experiencing a microscopic world through the Tabletop Microscope

Science Night at Sam Houston Middle School

Dallas Office

Hitachi High Technologies America, Inc.

In March 2009, our Dallas office held a Science Night for the students and families of Sam Houston Middle School, in hopes of increasing the interest of young people in science.

At the event, classrooms were set up with a variety of themes, and the children enjoyed experiments in making recycled paper, a paper airplane contest using different shapes of planes to compete for distance, and other experiments. One especially popular station featured an electron microscope, which Hitachi High Technologies America employees explained

how to use. Children were able to use the machine themselves to look at the eyes of flies. Going forward, the Dallas office plans to hold other similar events in the commu-



Children enjoying a science experiment

Community Relations

Contributions Led by Community Activity Committees

Chicago Head Office

Hitachi High Technologies America, Inc.

Hitachi High Technologies America, Inc. holds a variety of ongoing community CSR activities led by its Community Activity Committees.

In the winter of 2009, the Chicago head office participated in the "One Warm Coat" drive to support needy families in the region. Employees donated over 150 items worth nearly \$1,500, including coats, sweaters, sweatshirts, and other clothing and headwear, which

were then sorted and distributed to those in need. Chicago saw another bitterly cold winter this year, so this was an important and very fulfilling event to participate.



Organizing donated clothing

Human Resources Development

Honing Vocational Skills through Active Participation in the World Skills Competition

Hitachinaka City, Ibaraki Prefecture Naka Division, Hitachi High-Technologies

The Naka Division is focused on developing highly skilled technicians to support our manufacturing, and as part of that effort, actively participates in the World Skills competition. To date, a total of 110 employees have participated, taking home forty-eight medals.

At the World Skills competition held in September, 2009, Noriyuki Kitayama placed third in the world (a bronze medal) in the CNC Turning. In the National Skills competition held in October, Yuto Itagaki won first place nationally, a gold medal, in the Electronics Assembly, while Yusuke Jin and Takashi Mizuo took home "Excellence" awards in, respectively, the Turning and Mechanical Drawing.

Employees also work to support staff with disabilities, helping them

to improve their skills through on-the-job training, and contributing to development of a workplace in which people with diverse personalities and skills can work together. At the Abylimpics, a vocational skills event for people with disabilities, which was held in October, Akihiro Igarashi was awarded first place nationally in the Electronics Assembly, taking home a gold medal.





Noriyuki Kitayama (right) and coach

Yuto Itagaki (left) and Akihiro Igarashi

Preserving Biological Diversity

Donation for New Home for Gorillas

Dusseldorf Head Office

Hitachi High-Technologies Europe GmbH

In June 2009, Hitachi High-Technologies Europe GmbH made a donation in support of efforts by a German NPO, Friends of Krefeld Zoo, to raise funds for a gorilla garden to be built at the Krefeld Zoo. While the gorillas currently live in an enclosure with other primates, once the new garden is complete, they will enjoy much more space to spread out.

Protecting gorillas and other wild animals facing the threat of extinction is one way of helping to preserve our planet's biodiversity,

efforts.

and zoos play a very important

role in that process. We are

happy to have been able to

contribute something to these



Stickers with the names of supporting corporations

Regional Environmental Activities

Environmental Protection Educational Activities

Singapore Head Office

Hitachi High-Technologies (Singapore) Pte., Ltd.

In June 2009, Hitachi High-Technologies (Singapore) participated in three environmental protection educational activities sponsored by local corporations. "Green Day" involved planting trees in Singapore's Kent Ridge Park, while "Green Workshop" used soap-making to teach about the harmful effects of chemicals on the environment, and the role of biodegradable substances in protecting the environment. At the "Green Talk" event, a lecture titled "The Scary Side of Climate Change and Global Warming" taught participants more about various disasters



Planting trees as part of the Green Day event

brought about by greenhouse gases. Participating in these events made us even more strongly aware of the need to preserve the environment. Going forward, we hope to contribute even more to environmental preservation efforts.

Management

To enhance the transparence of our management structure, we have adopted the Company with Committees System of corporate governance. Through continual improvement of our compliance risk management, and internal control systems, we are working to earn the trust of society and our stakeholders.

Corporate Governance

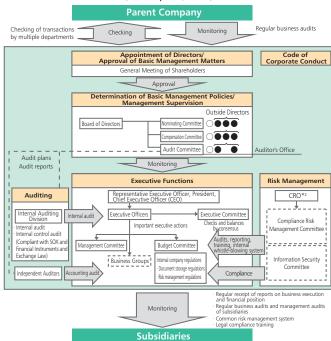
Hitachi High-Technologies has adopted the so-called Company with Committees System of corporate governance. In a committee-based company, most of the authority for business operations is largely delegated from the Board of Directors to the Executive Officers. This enables speedy decision making and rapid execution, but also makes it essential to enhance business execution oversight.

At Hitachi High-Technologies, the most important management issues are dealt with by the Executive Committee, enabling mutual checks by executive officers. The role of the Board of Directors is to decide basic management policy and supervise the execution of business activities. In its supervisory role, the Board receives reports from the Nominating Committee, the Audit Committee, the Compensation Committee, and the executive officers.

To reinforce the group's management foundation, we have established an internal control system in accordance with the Company Law, the Financial Instruments and Exchange Law, and the SOX Act*1 of the United States. The Audit Committee monitors business execution through this internal control system, conducts on-the-spot inspections based on independent plans, and reports the results to the Board of Directors. Furthermore, based on close cooperation with the independent auditors, the Company ensures the appropriateness of matters related to accounting.

*1: The SOX Act is the Sarbanes-Oxley Act, instituted in 2002. Since the Company's parent company, Hitachi, Ltd. is listed on the New York Stock Exchange, it is required to comply with the U.S. Sarbanes-Oxley Act.

Business Execution, Management Oversight and Internal Control System (As of April 1, 2010)



*2: CRO: The Chief Risk management Officer, who is an executive officer responsible for compliance and risk management. The CRO is appointed by the Board of Directors.

Compliance Risk Management

Hitachi High-Technologies has established a Compliance Risk Management Committee. Under the leadership of the CRO, this committee conducts regular assessments of risks that affect the company as a whole. In particular, we regard information security as a high risk issue. To ensure that all employees are aware of the importance of information security, we hold e-learning courses and encourage all employees to perform their own information security audits.

In fiscal 2009, we conducted our third compliance questionnaire targeting all Group employees in Japan and overseas. The results

showed compliance awareness penetration of 94%, demonstrating steady gains in compliance awareness. In fiscal 2010, we intend to promote compliance risk reduction activities.

Going forward, we will continue to conduct compliance questionnaires in order to accurately grasp the status of our basic policies of ethics and integrity and focusing on issues of right and wrong over profit and loss; awareness of the whistle-blowing system; and latent risk, and utilize this information in our activities in following years.

Employee Relations

A policy set forth in our corporate vision is to respect the abilities of every employee and to inspire the confidence to tackle new challenges. We are working to enhance our HR systems and training programs, and to improve safety and health.

Work Environment

Main Achievements in Fiscal 2009

- · Improve personnel handling system in order to better motivate employees
- · Enhance content of global training centered on mid-level and young employees

Future Challenges

- · Further enhance global human resource cultivation measures
- · Provide more comprehensive support for diverse human resources and working styles

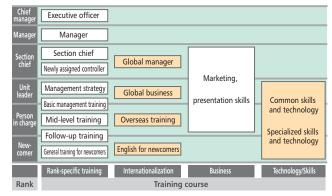
Hitachi High-Technologies strives to maintain a system that allows all employees to develop their skills and feel motivated and satisfied with their work. To this end, we began a reassessment of our overall internal human resource system in fiscal 2008. In fiscal 2009, we conducted a partial review of the personnel handling system with a view to better motivating employees, particularly young leaders and mid-level employees. The changes went into effect in fiscal 2010.

In order to actively support career development of each and every employee, we conduct training programs that are centered around four themes: rank-specific training, internationalization, business and engineering. In fiscal 2009, we worked to further enhance global

human resource cultivation measures from an international business perspective, including conducting reviews of the overseas training system and global business training especially for mid-level and vounger employees.

The results of action taken as a result of this reevaluation will be checked in our biennial survey of all employees as we strive for continuous improvements to create and establish a vibrant work environment

Education System of Hitachi High-Technologies



Safety and Health

Main Achievements in Fiscal 2009

- · Helped prevent lifestyle diseases by promoting "complete medical check-ups", metabolic syndrome exams, medical check-ups of the brain, and other medical
- In light of the spread of Pandemic (H1N1) 2009, promoted various measures to be taken at time of outbreak of infectious disease

Future Challenges

- · Enhance and vitalize various measures to ensure a safe and comfortable work environmen
- · Further enhance mental health measure to ensure effective emotional health for employees

Based on the fundamental policy that safety and health come first, we are working to prevent accidents at work and safeguard the health of our employees. Manufacturing divisions lead the effort to enhance

work safety, for example by ensuring that manufacturing equipment is fundamentally safe.

Initiatives to improve and promote employee health include various regular medical check-ups, as well as measures to promote good mental health.



A safety audit at the Naka Division

Customer and Business Partner Relations

The entire Group is working to enhance customer satisfaction. We also cooperate with our suppliers and other business partners to meet our mutual social responsibilities.

ISO 9001 Certification for Manufacturing, Sales and Service Divisions

Main Achievements in Fiscal 2009

· Acquired ISO certification in the Fine Technology Products Business Group · Acquired ISO certification in North America

Future Challenges

· Promote acquisition of certification at overseas group companies

As part of our effort to ensure customer satisfaction, Hitachi High-Technologies has been working toward certification of more sites within the Group ever since the head office was certified in 2005. In 2009, the San Diego Office of Hitachi High-Technologies America, Inc. was added to the scope of certification, and the Fine Technology Products Business Group, one of our manufacturing divisions, was newly certified, following on the Naka and Kasado Divisions and Hitachi High-Tech Fielding Corporation, giving us even stronger integration between manufacturing, sales, and service divisions.

To evaluate our initiative for greater customer satisfaction, each division listens to its customers and reports their opinions to top management. The sales divisions conduct customer satisfaction surveys, while the manufacturing divisions use meetings as opportunities to receive frank customer opinions that we can reflect into our development and design activities. The service divisions conduct questionnaires at the time of response, as well as commissioning third-



The Fine Technology Products Business Group's certificate

party surveys, and reflect the opinions received into day to day business activities. This commitment to ongoing improvements based on customer opinions is an important part of our effort to improve the quality of our business endeavors.

Cooperating with suppliers to meet common CSR objectives

Main Achievements in Fiscal 2009

- · Implemented survey in regard to chemical substances contained in suppliers' products (registered in A Gree'Net*)
- · Requested our suppliers to comply with information security rules
- · Moved forward with management of chemical substances contained in products at overseas sales offices

Future Challenges

- · Exchange chemical substances information with suppliers throughout the entire supply chain
- · Support our suppliers to acquire environmental management certificates such as ISO14001

Hitachi High-Technologies considers it of vital importance to set up a favorable partnership with our suppliers of component parts, materials and products. In order to conform to the common procurement



A meeting hosted at the Nanotechnology Products Business Group's Naka Division

guidelines specified for the Hitachi Group, we maintain fair trade relationships with both domestic and overseas companies, ensuring information security related to business transactions, conducting adequate quality evaluation, and selecting suppliers through proper procedures.

Going forward, we will continue to invite suppliers to regular meetings in order to promote information exchange and better communication.

Our trading divisions are also striving to ensure timely and highquality procurement, as well as giving consideration to the environment by, for example, implementing green procurement that complies with our customers' requests, and voluntarily developing rules. In fiscal 2009, we strengthened our efforts at overseas locations by implementing the same rules and mechanisms for controlling chemical substances contained in products as we have in place in Japan.

^{*}A Gree'Net is the name of the Hitachi Group's green procurement system

Corporate Profile



Company Name

Hitachi High-Technologies Corporation

Headquarters Address

24-14, Nishi-Shimbashi 1-chome, Minato-ku, Tokyo 105-8717, Japan

Net Sales

247.8

616.9 billion yen (fiscal 2009, consolidated)

Number of Employees

Entire Group: 9,931, Hitachi High-Technologies: 4,443

Subsidiaries and Affiliates

10 in Japan, 17 overseas

Offices

24 in Japan, 56 overseas in 27 countries, as of March 31, 2010

Financial Report (as of March 31, 2010)

Net Sales by Business Segment

Advanced Industrial Products

Steel Products / Nonferrous Metals / Electronic Materials & Components for Semiconductors / Plastic Resins and Engineering Plastics / Optical Devices & Materials / Raw Materials for Optical Disks / Silicon Wafers / Automotive Components / Solar Cell Materials / Oil Products





Information Systems and **Electronic Components**

Measuring Equipment / Chip Mounters / Automated Assembly Systems / Electric Power Systems / Design and Development Solutions / Videoconferencing Systems / Telecommunications Equipment / Hard Disk Drives / Semiconductor Products and Electronic Products / TFT Displays



Video Conferencing System

Electronic Device Systems

Semiconductor Manufacturing Equipments (Etching Systems / CD-Measurement SEM / Inspection Systems) / Electron Microscopes / LCD Manufacturing Equipment / HD Manufacturing Equipment / Railroad Inspection Equipment



95.5

159.5

Chip Mounter

(billion yen)

Life Sciences

Mass Spectrometers / Nuclear Magnetic Resonance Equipment / Spectrophotometers / Chromatographs / DNA Sequencers / General-Purpose Analysis Equipment / Clinical Chemistry and Immunodiagnostic Analyzers

Scanning Electron Microscopes

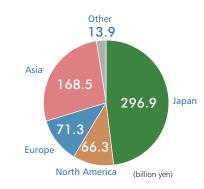


Ultra High-speed Liquid Chromatograph

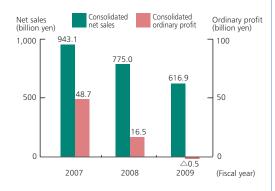


Clinical Chemistry Analyzer

Net Sales by Region



Net Sales and Ordinary Profit



Cover Photo

"Sweetie!" by Kunio Midorikawa, winner of the Hitachi High-Technologies Award in the Earth Photo Contest 2010, sponsored by PRESIDENT Inc. Hitachi High-Technologies Corporation is among the contest's cosponsors.

The photo was used on the cover of this report to express our desire to contribute to creating a sustainable society and to leave a rich natural legacy to the children who will follow after us in the future.

Publisher / Inquiries The Hitachi High-Technologies Corporation

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forest thinning. "Morino Chonai-Kai" (Forest Neighborhood Association)—

Supporting sound forest management.



