

To Our Stakeholders

In 2010, Hitachi, Ltd. will celebrate its 100th anniversary. Since founding, Hitachi has advanced under its corporate philosophy: contributing to society through the development of superior original technology and products. We aspire to further grow as a group by capitalizing on the individual strength of each company in the Hitachi Group, while generating synergies.

To this end, in November 2006 Hitachi adopted the corporate strategy of “Collaborative Creation and Profits”(*). By implementing various measures adopted under the strategy, we aim to maintain a consolidated operating margin of 5% and D/E Ratio (including minority interests) under 0.8 in FY2009. We recognize FY2008 as a critical year for achieving those goals. We aim to complete changes into full-fledged growth and enhance the corporate value of the Hitachi Group.

In this report, we would like to share with you Hitachi’s efforts in technology management, focusing on R&D as a source of corporate value, and IP as an ever-increasing component of corporate value.

We hope this report will help you gain a general understanding of Hitachi’s R&D and IP.

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Kazuo Furukawa
President and Chief Executive Officer

* http://www.hitachi.com/New/cnews/061116/f_061116pre.pdf
http://www.hitachi.com/New/cnews/f_080526.pdf