Automotive Systems Business Strategy

Hitachi IR Day 2015

June 11, 2015
Kunihiko Ohnuma

Chairman & CEO
Hitachi Automotive Systems, Ltd.
Automotive Systems Business Strategy

Contents

1. Business Overview
2. Market Trends
3. Growth Strategy
4. Summary
Aiming to further develop vehicle mobility technologies in the fields of environment, safety, and information to create value for society.
1-2. Business Structure

Consolidated net sales in automotive segment consists mainly of 4 business divisions and the car information system (Clarion)

**Drive control systems**
- Electrically-driven intelligent brakes
- Semi-active suspension systems
- Hydrogen dispensers

**Powertrain & electronic control systems**
- Motors
- Inverters
- Air flow sensors
- Stereo cameras
- Direct injection systems
  - Engine control units
  - High-pressure fuel pumps
  - Injectors

**Car information system** (Clarion)
- Voice recognition navigator (MAX775W)
- SurroundEye (camera to monitor the surroundings)
- Cloud information network service
- Cloud information network service

**Engine components systems**
- Electric power steering
- Pistons
- Valve timing control system
- Variable valve event and lift

**Aftermarket division / others**
- Suspension systems
- Brake pads
- Lithium-ion batteries

**FY2014 Consolidated revenues** ¥936.9 billion*

* US GAAP
DI : Direct Injection

© Hitachi, Ltd. 2015. All rights reserved.
## 1-3. FY2015 Mid-term Management Plan Progress

<table>
<thead>
<tr>
<th></th>
<th>FY2013 (US GAAP)</th>
<th>FY2014 (US GAAP)</th>
<th>(IFRS) *1</th>
<th>FY2015 (Forecast) (US GAAP)</th>
<th>(IFRS)</th>
<th>Year over year (US GAAP)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>892.1 billion yen</td>
<td>936.9 billion yen</td>
<td>936.9 billion yen</td>
<td>1 trillion yen</td>
<td>1 trillion yen</td>
<td>+63.1 billion yen</td>
</tr>
<tr>
<td><strong>EBIT ratio</strong></td>
<td>0.6% (5.3%)</td>
<td>3.7% (6.0%)</td>
<td>3.7% (5.1%)</td>
<td>7.0% (7.0%)</td>
<td>7.0% (6.8%)</td>
<td>+3.3% (1.0%)</td>
</tr>
<tr>
<td>(Operating income ratio*2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Overseas revenue ratio for global customer bases</strong>*3</td>
<td>53%</td>
<td>56%</td>
<td>56%</td>
<td>60%</td>
<td>60%</td>
<td>+4%</td>
</tr>
</tbody>
</table>

For FY2015, Automotive Systems segment aims for revenues of ¥1 trillion and EBIT ratio of 7%.

*1 Unaudited
*2 “Operating income ratio” is presented as “Adjusted operating income ratio” in IFRS (an "Adjusted Operating Income" presented as revenues less cost of sales as well as selling, general and administrative expenses)
*3 Customer bases that install automotive components in finished vehicles. This is different from overseas revenues in the consolidated accounts.
1-4. Business Performance Trends and Target

Revenues (Billion yen)

US GAAP

- FY2013 Result: 892.1
  - Revenues: 53%
  - Operating income: 5.3%
  - Operating income ratio: 47.3%

- FY2014 Result: 936.9
  - Revenues: 56%
  - Operating income: 6.0%
  - Operating income ratio: 56.1%

- FY2015 Forecast: 1,000
  - Revenues: 60%
  - Operating income: 7.0%
  - Operating income ratio: 70.0%

IFRS

- FY2014 Result: 936.9
  - Revenues: 56%
  - Operating income: 5.1%
  - Operating income ratio: 47.4%

- FY2015 Forecast: 1,000
  - Revenues: 60%
  - Operating income: 6.8%
  - Operating income ratio: 68.0%

- FY2018 Target: 1,000
  - Revenues: 60%
  - Operating income: 7.0%
  - Operating income ratio: 70.0%

**Revenues 1.2 trillion yen**

*Operating income (ratio)* is presented as “Adjusted operating income (ratio)” in IFRS (an "Adjusted Operating Income" presented as revenues less cost of sales as well as selling, general and administrative expenses)

*1 Unaudited
*2 Operating income ratio** presented as revenues less cost of sales as well as selling, general and administrative expenses
1-5. Hitachi Automotive Systems’ Five Core Strategies

The Automotive Systems Group’s Core Strengths

**TECHNOLOGY**
- Mechatronics product capability
- Systems integration capability
  - “ADAS-based Integrated Control” for autonomous driving

**QUALITY**
- Vertically integrated product quality capability
- Control systems reliability

**SALES**
- Global account flexibility
- Cross selling execution capability

**R&D**
- Hitachi R&D resource utilization capability
- Collaborative capabilities of government, Industry, and academia

**GLOBAL FOOTPRINT**
- Regionally focused business promotion capabilities
- Global customer support capabilities

ADAS: Advanced Driver Assistance System

© Hitachi, Ltd. 2015. All rights reserved.
Automotive Systems Business Strategy

Contents

1. Business Overview
2. Market Trends
3. Growth Strategy
4. Summary
### 2-1. Technology Supporting Vehicle Control and Customer Needs

#### CO₂ Emission Regulations

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>130g/km</td>
<td>95g/km</td>
<td>68~78g/km</td>
<td></td>
</tr>
</tbody>
</table>

#### Emission Regulations

- 2010: EURO5
- 2015: EURO6
- 2020: EURO7

#### Safety Evaluation

- 2010: Collision warning and avoidance
- 2015: Collision avoidance pedestrians
- 2020: Night time pedestrians collision avoidance

### Demand Vectors of Adaptive Technology

**Environment**
- **Powertrain**
  - Higher efficiency
  - Hybrid systems
  - Plug-in hybrid systems
  - EV system

**Safety**
- **ADAS**
  - More stringent control
  - Smart ADAS
  - Automatic parking systems
  - Autonomous driving

**Sensing Technology**
- Drive-system electric-drive control actuator
- Sensing technology

Increasing needs for electronic-controlled and electric-driven technologies due to trends of tightening of environmental regulations together with safety improvements and autonomous driving.
2-2. Global Position Analysis

Top 10 global parts suppliers by revenues
Electronics products\(^1\) share (FY 2013 result)

Achieve growth by increasing electronics products\(^1\) share to world-leading level

\(^1\) Electronics products: Electronic control and electric drive products such as electronic-controlled units and hybrid systems
\(^2\) US GAAP

Source: Arthur D. Little

Strengthen product portfolio of electronic-controlled and electric-driven products with high market growth ratio
Automotive Systems Business Strategy

Contents

1. Business Overview
2. Market Trends
3. Growth Strategy
4. Summary
Execute 3 core strategies to achieve a robust management foundation and firm growth

Core Strategy 1
Increase efficiency of internal combustion engines and develop systems for electrically driven technology and autonomous driving

Core Strategy 2
Execute strategy of customer diversity

Core Strategy 3
Expand global footprint

3-1. Growth Strategy
3-2. Strive to Achieve High Growth and Expand Global Share

Maintain and expand high global share while striving for high growth with core products in the environment and safety fields.

**Environment field**
- Lithium-ion batteries
- Inverters

**Safety field**
- High-function electric power steering
- Electrically-driven intelligent brakes
- Semi-active suspension systems

**Core Products**
- **Environment field**
  - Valve Timing Control: Share No. 2 (13% → 15%)
  - Ignition coils: Share No. 2 (12% → 13%)

- **Safety field**
  - Air flow sensors: Top share (40% → 40%)
  - Stereo cameras: Top share (72% → 75%)
  - Suspension systems: Share No. 3 (10% → 10%)
  - Propeller shafts: Share No. 4 (6% → 7%)

*Note: Revenue target (FY2013 (Result) → FY2018 (Target))*
### 3-3. Expand business through acceleration of implementation of innovations in electronically-controlled and electrically-driven technologies

<table>
<thead>
<tr>
<th>Technological innovation strengthening</th>
<th>Stereo cameras</th>
<th>Electric power steering</th>
<th>Inverters</th>
<th>Lithium-ion batteries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Expand the detection area by 40%</td>
<td>Achieve 50% increase in rack thrust</td>
<td>Achieve 40% smaller high-output inverters</td>
<td>Achieve improvement of 50% higher output density</td>
</tr>
<tr>
<td></td>
<td>High-definition color imaging Elements and a newly-developed built-in 3D image processing engine</td>
<td>High output and high-performance steering rack thrust up to 15 KN</td>
<td>Maximum rating of 432 V/ 290 Arms</td>
<td>World’s highest output density of 5,000W/kg</td>
</tr>
<tr>
<td>Revenue target</td>
<td>6 times</td>
<td>10 times</td>
<td>3 times</td>
<td>7 times</td>
</tr>
<tr>
<td>FY2013(Result)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2018(Target)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adoption examples</td>
<td>Fuji Heavy Industries’ LEVORG</td>
<td>Ford, Explorer</td>
<td>Daimler, Mercedes-Benz S550 plug-in hybrid long</td>
<td>GM’s 2016 Chevrolet Malibu Hybrid</td>
</tr>
<tr>
<td></td>
<td>FY2014 new advanced safety Performance “Five Star Award&quot;</td>
<td>High-output driving dynamics</td>
<td>Runs 33km per charge on battery ower alone</td>
<td>Hybrid mode 20km/liter</td>
</tr>
</tbody>
</table>

**Notes:**
- KN: Kilonewtons
- Arms: Ampere root mean square (rated input current)
Belt-powered high-function electric power steering, variable valve systems, electric brake systems, and HEV/EV systems’ revenue increasing by 5 times (FY2012 ⇒ FY2020)

Examples
ADAS integrated control unit

Integrated control system

Increasingly advanced components
Electronically-controlled and electrically-driven
High precision and highly reliable mechanics

Produce more components internally
Forging and molding materials, motors, ECUs

Electric power steering

Motor + ECU

Rack-screw

Aluminum die castings

ECU : Engine Control Unit

Vertical integration within the Group
Improvement of system capabilities and insurance of quality reliability

© Hitachi, Ltd. 2015. All rights reserved.
3-5. Examples of ADAS Business Promotion

Automatic parking systems centered on camera to monitor the surroundings, developed jointly by Hitachi Automotive Systems, Ltd. and Clarion Co., Ltd.

Features

- High-speed recognition of parking boundaries and parking spaces through camera-image processing
- Real-time detection of stopped and moving objects
- Identifying parking spaces and avoiding obstacles
- Smooth and rapid parking due to linkage of controller and actuator

SurroundEye* (camera to monitor the surroundings)

Planned to be commercialized in FY2018

※ Vehicle in photo has no connection with this system

Mass-media test-drive evaluation (November 2014)

- “At the 2014 International CES, we saw various makes of vehicles being parked automatically, and this looked like the car was controlled twice as fast.”
- “The savior of drivers who are bad at parallel parking.”

- Automatic parking through identification of parking boundaries and obstacles, and the navigable space
- Stop moving when curb is detected

- Identify the parking space and automatically perform parallel parking
- Stop the vehicle when the approach of a pedestrian is detected
- Departing support when pulling out

- When departing, the system alerts the driver of any approaching vehicles if they are detected by the camera

* SurroundEye is registered as a trademark by Clarion Co., Ltd.
Promote business by providing users with useful information and increased comfort, security, and convenience as a car information system provider.
3-7. Strengthen Cooperation with the Hitachi Group

Connecting vehicles and society through secure communication, achieving autonomous driving will bring the user merits of high reliability and a variety of services.

- B2B services such as breakdown analysis
- Vehicle cloud and big data analysis
  - Vehicle data
  - Outside-vehicle data
  - Transportation information
  - Driver’s data
- C2X communication
- Security
- Public communication
- Cloud
  - Energy information
  - Traffic information
- Smart grid
- Smart mobility
- Smart city
- Linking to smart cities, users receive a variety of services

Hitachi Group
3-8. Execution of Customer Diversity Strategy

Revenues composition plan *1

<table>
<thead>
<tr>
<th>Year</th>
<th>2013 Result</th>
<th>2014 Result</th>
<th>2015 Forecast</th>
<th>2018 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>892.1 billion yen</td>
<td>936.9 trillion yen</td>
<td>1 trillion yen</td>
<td>1.2 trillion yen</td>
<td></td>
</tr>
</tbody>
</table>

*1 FY2013-FY2014 performance under US GAAP; FY2015-2018 targets are IFRS

** Execution measures

1. Account expansion to exceed 10% share

   Execute cross-sales by GAM and GAT

   Leveraging global footprint to support customers developing business worldwide

   Increase number of global sales personnel

   Target up 10% in FY2020 (vs. FY2014)

2. Strengthen global sales technology

   Strengthen issue-based solution-type proposal capabilities by new differentiated technology

   Automatic parking, preview GVC, next-generation Stop&Start system, etc.

*2 Other Japanese companies: Fuji Heavy Industries, Mazda Motor, Mitsubishi Motors, Daihatsu Motor, Commercial vehicles (Isuzu Motors, Mitsubishi Fuso Truck and Bus, Hino Motors, and UD Trucks)

*3 Top 10 global parts suppliers: Toyota Motor, Volkswagen / Audi, GM, Ford, Hyundai Motor, Honda, PSA Peugeot Citroën, Suzuki, Fiat Chrysler (except Renault-Nissan)

GAM : Global Account Manager
GAT : Global Account Team
GVC : G-Vectoring Control(In-vehicle operation control technology)
3-9. Expand Global Footprint

Number of production bases:

- **Americas**
  - March 2010: 5
  - March 2015: 9
  - 2010: 100
  - 2014: 164
  - 2015: 180
  - 2018: 200

- **China**
  - March 2010: 12
  - March 2015: 13
  - 2010: 100
  - 2014: 184
  - 2015: 260
  - 2018: 370

- **Europe**
  - March 2010: 3
  - March 2015: 5
  - 2010: 100
  - 2014: 133
  - 2015: 140
  - 2018: 180

- **Asia**
  - March 2010: 6
  - March 2015: 8
  - 2010: 100
  - 2014: 151
  - 2015: 180
  - 2018: 240

Leveraging synergies within U.S. and full-fledged start of Mexican business

Strengthen regional integration and expand business centered on new Guangzhou base

Strategically approaching Headquarters of European Customers having high shares in emerging countries

Expanded revenues and earnings by tackling growth in ASEAN and Indian markets

*Figures for each region indicate indices based on FY2010 revenues*
3-10. Regional Strategy (Example of new base)

**Mexico**

1. Expand revenues by 2.7 times by FY2018
2. Begin manufacture of pistons and aluminum die castings from May 2015, and expand product lineup to 13 products by FY2018

**India**

1. Expand revenues by 9 times by FY2020
2. Plan to start manufacture of VTCs and ignition coils from October 2015

**Revenues**

*Indicates indices based on FY2013 revenues*

<table>
<thead>
<tr>
<th>2013</th>
<th>2015</th>
<th>2018 (FY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>195</td>
<td>270</td>
</tr>
</tbody>
</table>

*Indicates indices based on FY2015 revenues*

<table>
<thead>
<tr>
<th>2015</th>
<th>2020 (FY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>900</td>
</tr>
</tbody>
</table>

**Plant in Mexico (Querétaro)**

**New Plant in India (Chennai)**

VTC: Valve Timing Control System
3-11. Investment Strategy

Global investment amounts* and domestic and overseas investment ratios

<table>
<thead>
<tr>
<th>Year</th>
<th>Accumulated</th>
<th>Domestic Investment</th>
<th>Overseas Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2008 - 2010</td>
<td>Result</td>
<td>90.0 billion yen</td>
<td>60%</td>
</tr>
<tr>
<td>FY2011 - 2013</td>
<td>Result</td>
<td>200.0 billion yen</td>
<td>60%</td>
</tr>
<tr>
<td>FY2014 - 2016</td>
<td>Forecast</td>
<td>280.0 billion yen</td>
<td>60%</td>
</tr>
<tr>
<td></td>
<td>Forecast</td>
<td>60%</td>
<td>40%</td>
</tr>
</tbody>
</table>

*New business investment, jigs and tools, purchase of, intangible assets, and tangible assets and software to be leased, financing

FY2014 (Result) 61.9 billion yen
FY2015 (Forecast) 80.0 billion yen
FY2016 (Target) 85.0 billion yen

Collaboration with outside-company research institutions

- Kanagawa Institute of Technology
  - Theory construction on vehicle operation control technology
- RWTH Aachen University
  - Linkage control with ACC of vehicle operation control technology
- Tokyo University of Agriculture and Technology
  - Keeping in lane control by stereo camera
- Kyushu University
  - Prediction control by automatic operation model

Promotion of joint research in autonomous driving field, etc.

Investment amount: 4.7 times
Investment amount: 2.1 times

ACC: Adapting Cruise Control
3-12. Hitachi Smart Transformation Project

Execute growth strategy through structural reform and continuous innovation

Promotion details

Cost structure reform

- Strengthen aftermarket business
  Retail business revenues up 50% (FY2014, FY2018)
- Continue global production reforms
  Apply standard automation line (7 products, 15 bases)
  Introduce low-cost production line for emerging countries (VTC)
- Based on Industrie 4.0 trends, expand the global quality guarantee management system (remote monitoring)
- Global procurement reform
  • Clarify procurement portfolio
  • Execute procurement engineering and guarantees of products procured

Cash generation

- Expand business globally
  (Overseas revenue ratio for global customer bases: FY2012 50%, FY2015 60%)
- Increase sales of electronics products
  Up ¥100 billion (FY2013, FY2015)
- Strengthen industrial-use product business:
  Revenues up 30% (FY2014, FY2018)
- Strengthen capital investment for internal production through industrial machinery bases in four overseas strategic regions.

Improve CCC (Manufacturing, services, etc.)*

<table>
<thead>
<tr>
<th></th>
<th>FY2012 (Result)</th>
<th>FY2013 (Result)</th>
<th>FY2014 (Result)</th>
<th>FY2015 (Forecast)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCC</td>
<td>37.3 days</td>
<td>40.5 days</td>
<td>40.5 days</td>
<td>42.3 days</td>
</tr>
</tbody>
</table>

Improve gross margin and SG&A expenses*

![Improvements graph](chart)

- SG&A expenses
- Gross margin

Improvements:
- FY2012: 0.3
- FY2013: 0.6
- FY2014: 1.2
- FY2015: 1.7

CCC: Cash Conversion Cycle
US GAAP
Automotive Systems Business Strategy

Contents

1. Business Overview
2. Market Trends
3. Growth Strategy
4. Summary
## FY2015 Targets

<table>
<thead>
<tr>
<th></th>
<th>US GAAP</th>
<th>IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>1 trillion yen</td>
<td>1 trillion yen</td>
</tr>
<tr>
<td>Overseas revenue ratio for global customer bases</td>
<td>60.0%</td>
<td>60.0%</td>
</tr>
<tr>
<td>Operating income ratio</td>
<td>7.0%</td>
<td>6.8%</td>
</tr>
<tr>
<td>EBIT ratio</td>
<td>7.0%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Benefits of Hitachi Smart Transformation Project (US GAAP)</td>
<td>Gross margin: 0.9 point improvement (vs. FY2012)</td>
<td>SG&amp;A expenses ratio: 1.7 point improvement (vs. FY2012)</td>
</tr>
</tbody>
</table>

### 4. Summary - FY2015 Targets -

Aiming to further develop mobility technologies to create value for society

*“Operating income ratio” is presented as “Adjusted operating income ratio” in IFRS (an “Adjusted Operating Income presented as revenues less cost of sales as well as selling, general and administrative expenses)
Cautionary Statement

Certain statements found in this document may constitute “forward-looking statements” as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such “forward-looking statements” reflect management’s current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as “anticipate,” “believe,” “expect,” “estimate,” “forecast,” “intend,” “plan,” “project” and similar expressions which indicate future events and trends may identify “forward-looking statements.” Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the “forward-looking statements” and from historical trends. Certain “forward-looking statements” are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on “forward-looking statements,” as such statements speak only as of the date of this document.

Factors that could cause actual results to differ materially from those projected or implied in any “forward-looking statement” and from historical trends include, but are not limited to:

- economic conditions, including consumer spending and plant and equipment investment in Hitachi’s major markets, particularly Japan, Asia, the United States and Europe, as well as levels of demand in the major industrial sectors Hitachi serves, including, without limitation, the information, electronics, automotive, construction and financial sectors;
- exchange rate fluctuations of the yen against other currencies in which Hitachi makes significant sales or in which Hitachi’s assets and liabilities are denominated, particularly against the U.S. dollar and the euro;
- uncertainty as to Hitachi’s ability to access, or access on favorable terms, liquidity or long-term financing;
- uncertainty as to general market price levels for equity securities, declines in which may require Hitachi to write down equity securities that it holds;
- uncertainty as to Hitachi’s ability to continue to develop and market products that incorporate new technologies on a timely and cost-effective basis and to achieve market acceptance for such products;
- rapid technological innovation;
- the possibility of cost fluctuations during the lifetime of, or cancellation of, long-term contracts for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components;
- fluctuations in product demand and industry capacity;
- uncertainty as to Hitachi’s ability to implement measures to reduce the potential negative impact of fluctuations in product demand, exchange rates and/or price of raw materials or shortages of materials, parts and components;
- increased commoditization of and intensifying price competition for products;
- uncertainty as to Hitachi’s ability to achieve the anticipated benefits of its strategy to strengthen its Social Innovation Business;
- uncertainty as to the success of acquisitions of other companies, joint ventures and strategic alliances and the possibility of incurring related expenses;
- uncertainty as to the success of restructuring efforts to improve management efficiency by divesting or otherwise exiting underperforming businesses and to strengthen competitiveness;
- uncertainty as to the success of cost reduction measures;
- general socioeconomic and political conditions and the regulatory and trade environment of countries where Hitachi conducts business, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports and differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- uncertainty as to the success of alliances upon which Hitachi depends, some of which Hitachi may not control, with other corporations in the design and development of certain key products;
- uncertainty as to Hitachi’s access to, or ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity-method affiliates have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- the potential for significant losses on Hitachi’s investments in equity-method affiliates;
- the possibility of disruption of Hitachi’s operations by natural disasters such as earthquakes and tsunamis, the spread of infectious diseases, and geopolitical and social instability such as terrorism and conflict;
- uncertainty as to Hitachi’s ability to maintain the integrity of its information systems, as well as Hitachi’s ability to protect its confidential information or that of its customers;
- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its significant employee benefit-related costs; and
- uncertainty as to Hitachi’s ability to attract and retain skilled personnel.

The factors listed above are not all-inclusive and are in addition to other factors contained in other materials published by Hitachi.