

Corporate Governance

(As of March 31, 2010)

In Pursuit of Sustainable Growth Appropriate with Laws, Corporate Ethics and CSR

Basic Approach

Hitachi Cable considers its efforts to grow its business sustainably in keeping with laws, business ethics and CSR principles to be the foundation of corporate governance. It considers conformity with such to be one of the most vital responsibilities of management. The Company has adopted the committee system, resulting in a separation of the executive and supervisory functions of management, in order to expedite management decision-making and enhance management transparency.

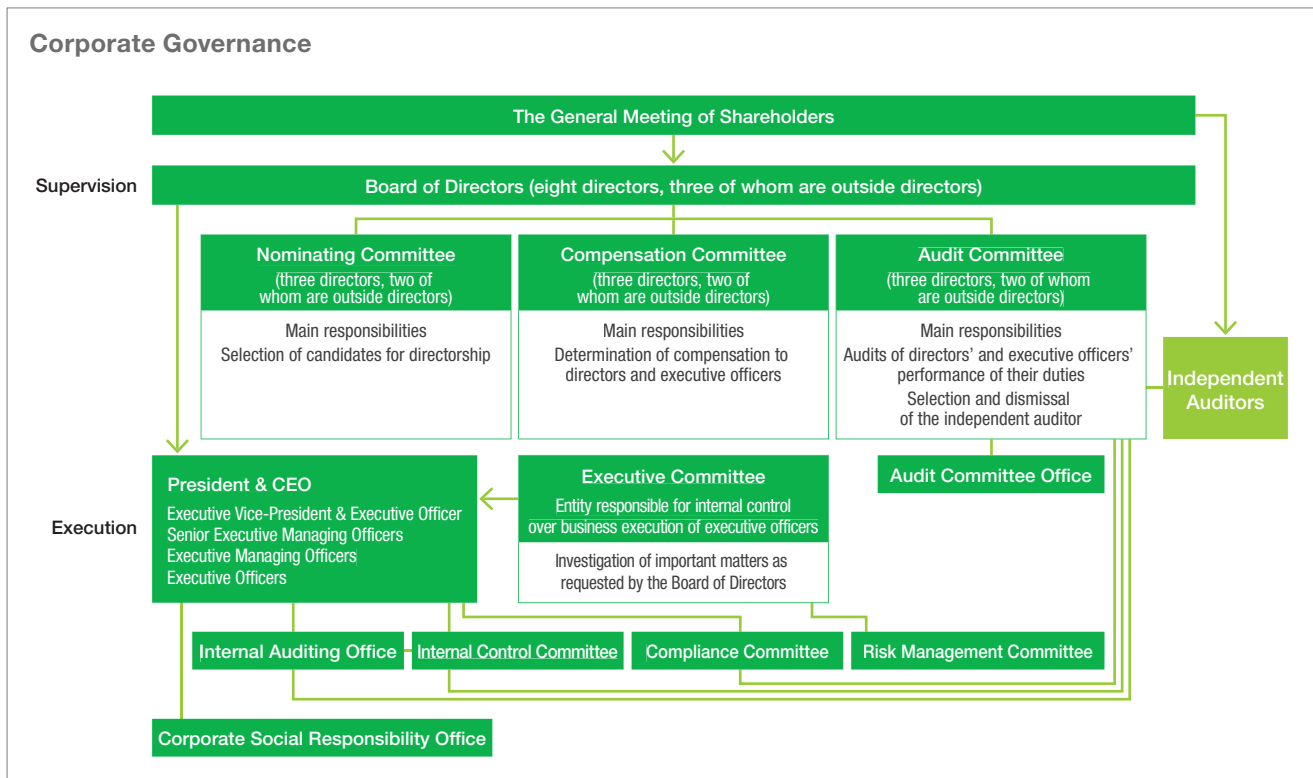
As of March 31, 2010, Hitachi, Ltd. and other Hitachi Group companies held 53.1% of all shareholder voting rights in Hitachi Cable. Hitachi Cable has maintained its autonomy from its parent company, Hitachi, Ltd. and is not heavily reliant on transactions with Hitachi, Ltd. or other Hitachi Group companies (referred to below as the “Hitachi Group”). To enhance the objectivity and independence of the decision-making processes of the Board of Directors, the Company canvasses a wide range of third-party views and has appointed an outside director, filed with the Tokyo Stock Exchange, Inc. and the Osaka Securities Exchange Co., Ltd. as an independent board member.

Corporate Governance Structure

Hitachi Cable has established and operates an internal control framework in line with basic policies determined by the Board of Directors, a supervisory body. The Board of Directors is responsible for decisions on matters such as basic management policies and supervisory functions, and it has broadly transferred executive authority for operations to executive officers. As part of the Board’s supervisory functions, three independent committees—each being made up of a majority of outside directors—have been established: the Nominating Committee, the Audit Committee and the Compensation Committee.

As a means of internal control over the execution of operations by the executive officers, an Executive Committee has been established, comprising all executive officers. This is intended to ensure the sharing of information concerning the status of operations under each executive officer whenever decisions are made concerning important matters as assigned by the Board of Directors, as well as the consideration of such matters from a variety of angles.

We have established the Internal Auditing Office, which audits each section of Hitachi Cable and its Group companies



concerning the legality and appropriateness of operations, and takes measures to strengthen internal control. The Company has also established a Compliance Office and a Compliance Committee, which serves as the secretariat for the Compliance Office, to provide education, auditing and guidance for the entire Hitachi Cable organization in relation to compliance with regulatory requirements and business ethics. The Audit Committee supervises and verifies internal audits. It also supervises management by requiring directors and executive officers to submit reports on the performance of their duties at appropriate intervals. We also established the Internal Control Committee, which makes decisions on the policy, planning and operation of and procedures for the internal control system related to the financial report, and discusses and approves the results of assessments of the system's validity, thereby ensuring the adequacy and credibility of financial reports.

Hitachi Cable's independent auditor is Ernst & Young ShinNihon LLC. The composition of the support team for these audit activities is determined by the account auditing firms' selection criteria. The independent auditor reports its progress to the Audit Committee and fosters cooperation on auditing by exchanging opinions with Audit Committee members, including the General Manager of the Internal Auditing Office, who also attends the relevant meetings.

Promoting Compliance

The Hitachi Cable Group has strengthened and intensified its measures to ensure compliance with regulatory requirements and business ethics. In the year ended March 2010, the Group developed and expanded its internal rules concerning compliance. Seminars were held at various venues, including the facilities of Group companies, to explain these changes. There was also a group-level training event, attended by 1,782 people, on antimonopoly legislation. Other initiatives to raise awareness of compliance throughout the Hitachi Cable Group include e-learning programs in which all employees participate.

The Group also maintains self-regulatory mechanisms, including a compliance notification system introduced in October 2003. If employees or parties outside of the Hitachi Cable Group, including employees of suppliers and customers, become aware of illegal or improper actions relating to the Group's business activities, they can report those matters directly to the Compliance Group, or to a legal counsel retained as an outside contact point. There is also provision for anonymous reporting of illegal restraints on trade, such as cartels or collusion on bidding for contracts.

Thus is Hitachi Cable elevating management fairness and transparency to higher levels. To this end, we will adhere to new and updated laws and regulations, as well as the management policies of the Hitachi Group, and will enhance our corporate governance structure.

Board of Directors and Executive Officers

(As of June 24, 2010)

Board of Directors

Chairman of the Board

Norio Sato

Board Directors

Mitsuo Imai

Yoshiaki Yoneda

Masaru Okazaki

Masahiro Shimojo
(Attorney-at-Law, NISHIMURA & ASAHII)

Shinichi Susukida

Nobuo Mochida
(Representative Executive Officer,
Executive Vice President and
Executive Officer, Hitachi, Ltd./
Chairman of the Board, Hitachi Metals, Ltd./
Board Director, Hitachi Chemical Co., Ltd.)

Makoto Ebata
(Vice President and Executive Officer,
Hitachi, Ltd.)

Executive Officers

Representative Executive Officer,
President and
Chief Executive Officer

Mitsuo Imai

Representative Executive Officer,
Executive Vice President and
Executive Officer

Yoshiaki Yoneda

Senior Vice President and
Executive Officers

Shinichi Susukida
Kouichiro Nishikawa

Vice President and Executive Officers

Masaaki Tomiyama
Toshiro Kanda

Executive Officers

Manabu Kagawa

Ryota Goto

Nobuo Yanase

Tatsuya Shirai

Masaaki Tsuji

Yasuhiko Sakamoto

Tetsuro Mikami

Fumikazu Ito

Kenichi Sawabe