

March 27, 2008

## **Notice of Introduction of Executive Officer System, Change of Representative Director, and Changes of Directors**

### **INES Corporation**

Listing: First Section of the Tokyo Stock Exchange and Osaka Securities Exchange (Code: 9742)  
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At its meeting held on March 27, 2008, the Board of Directors of INES Corporation agreed on matters pertaining to introduction of an executive officer system, change of representative director, and changes of directors, as described below.

### **1. Introduction of Executive Officer System**

#### **(1) Purpose**

- By separating the business execution function of directors from the decision-making and supervision of business execution function of the Board of Directors, the Corporation intends to better distinguish the responsibilities of directors and executive officers, thus enhancing operating efficiency and reinforcing corporate governance.
- The tenure of directors will be reduced from two years to one year, and the tenure of executive officers will be one year. In this way, the Corporation will seek to earn the confidence of shareholders on an annual basis while increasing opportunities for rotation of executive personnel and creating a flexible operational system.

#### **(2) Overview of System**

- The INES Board of Directors will appoint executive officers as directors. Executive officers will be entrusted by the Board with the authority and responsibility of making and executing business decisions.
- The executive officers shall be titled as president, vice president, senior managing executive officer, managing executive officer, and executive officer.

In conjunction with the aforementioned system introduction, the Corporation will amend its Articles of Incorporation to reduce the tenures of directors from two years to one year, subject to approval at the Annual Meeting of Shareholders, scheduled for June 25, 2008.

### **2. Change of Representative Director**

#### **(1) Purpose of Change**

INES is committed to creating an infrastructure to facilitate improvement in earnings and underpin significant future progress. To this end, the Corporation plans to rejuvenate its representative team when it introduces the executive officer system.

With a new management system in place, we will reap the fruits of Group-wide management and target further advancement of our business.

## (2) New Representative Director

Name	New Title	Current Title
Yasuhiko Igarashi	President & Representative Director	Senior Vice President and Executive Officer, Hitachi Software Engineering Co., Ltd.

Mr. Igarashi will become an advisor to INES on April 1, 2008. Mr. Igarashi is expected to be appointed president and representative director at the close of the Board of Directors meeting, to be held following the resolution on the election of directors at the Annual Meeting of Shareholders. Mr. Daiji Hayashi, the current president and representative director, is scheduled to retire upon conclusion of the Annual Meeting of Shareholders.

## 3. Changes in Directors

The Corporation plans to make the following changes to its directors, subject to approval at the Annual Meeting of Shareholders, scheduled for June 25, 2008, and to resolution by the Board of Directors to be held following that meeting.

### (1) Director Candidates

Representative Director	Yasuhiko Igarashi	New election	Senior Vice President and Executive Officer, Hitachi Software Engineering Co., Ltd.
Director	Masataka Koyama	Reelection	Managing Director
Director	Yoshihiro Hayashi	Reelection	Managing Director & General Manager, Regional Office Division
Director	Takeshi Nozawa	Reelection	Director & General Manager, Sales & Marketing Division
Director	Shoji Hanazato	Reelection	Managing Director
Director	Kenzo Tagami	Reelection	Director & General Manager, Corporate Strategy & Finance Division
Director	Hiromi Kuwahara	Reelection	Executive Vice President and Executive Officer, Hitachi Software Engineering Co., Ltd.
Note: Hiromi Kuwahara is an outside director candidate.			

### (2) Retiring Directors

Daiji Hayashi	(Currently) President & Representative Director
Shinichi Endo	(Currently) Director & General Manager, Technology Division
Yuji Ariyoshi	(Currently) Director & General Manager, BP Solution Division
Shoichiro Inoue	(Currently) Director & General Manager, Public Systems Division
Fumiyuki Shibuya	(Currently) Director & General Manager, Industry Systems Division
Hiroshi Hogaki	(Currently) Director & General Manager, Banking Institution Systems Division

### (3) Executive Officer Candidates

President	Yasuhiko Igarashi	(Currently) Senior Vice President and Executive Officer, Hitachi Software Engineering Co., Ltd.
Managing Executive Officer	Masataka Koyama	(Currently) Managing Director
Managing Executive Officer	Yoshihiro Hayashi	(Currently) Managing Director & General Manager, Regional Office Division
Managing Executive Officer	Takeshi Nozawa	(Currently) Director & General Manager, Sales & Marketing Division
Managing Executive Officer	Shoji Hanazato	(Currently) Managing Director
Executive Officer	Shinichi Endo	(Currently) Director & General Manager, Technology Division
Executive Officer	Yuji Ariyoshi	(Currently) Director & General Manager, BP Solution Division
Executive Officer	Kenzo Tagami	Director & General Manager, Corporate Strategy & Finance Division
Executive Officer	Shoichiro Inoue	(Currently) Director & General Manager, Public Systems Division
Executive Officer	Fumiyuki Shibuya	(Currently) Director & General Manager, Industry Systems Division
Executive Officer	Hiroshi Hogaki	(Currently) Director & General Manager, Banking Institution Systems Division

#### Biography of New Appointed Representative Director

Name	Yasuhiko Igarashi
Birth Date	June 13, 1946 (61 years old)
Birthplace	Shizuoka Prefecture, Japan
Last Academic Achievement	Graduated from School of Commerce, Senshu University in March 1970
Career Summary	<p>April 1971: Joined Hitachi Ltd.</p> <p>January 2000: Manager, Information System Dept., Hitachi Ltd.</p> <p>August 2001: General Manager, Public System Sales Dept., Hitachi Ltd.</p> <p>April 2003: General Manager, Hitachi Software Engineering Co., Ltd.</p> <p>June 2003: Vice President and Executive Officer, Hitachi Software Engineering Co., Ltd.</p> <p>April 2005: (Currently) Senior Vice President and Executive Officer, Hitachi Software Engineering Co., Ltd.</p>