

June 7, 2004

Hitachi Zosen Corporation

7-89,Nanko-Kita 1-chome, Suminoe-ku, Osaka 559-8559

Summary Agenda **for the 107th Ordinary General Meeting of Shareholders**

. Report :

Presentation of the Business Report, the Balance Sheet and the Operational Statements for the 107th business year (from April 1, 2003 to March 31, 2004)

. Matters to be resolved :

- Proposal 1 : Approval of the proposed appropriation of Retained Earning for the 107th business year
- Proposal 2 : Partial Amendments to the Articles of Incorporation
- Proposal 3 : Election of 3 Directors
- Proposal 4 : Election of 2 Corporate Auditors

【 Information for voting on the proposals 】

- 1 . The number of all shareholders' voting rights : 995,535 units
- 2 . For Proposal 1 : (Approval of the proposed appropriation of Retained Earning for the 107th business year) :
Thanks to your cooperation we could clear away our pending loss brought forward at the 106th Ordinary General Meeting of Shareholders. And we have achieved favorable balance on both Ordinary profit and Net profit in the 107th business year. However our profit level is not sufficient enough to make a stable dividend continuously toward the future. So, the year-end dividend of the 107th business year shall be passed and it is proposed that all the amount of Retained Earning shall be carried forward.
- 3 . For Proposal 2 : (Partial Amendments to the Articles of Incorporation) :
Reasons for the amendments
 - (1)"Law Amending the Commercial Code and Other Related Laws"(Law No.44, 2002) was enacted on April 1,2003, which permits a company to introduce a system of further purchase of shares by a shareholder in order to constitute one unit of shares. So, in order to expand the service for shareholders we propose to establish a new Article in regards to Request of further purchase of shares constituting one unit of shares and amend Article 7"Transfer Agent" and Article 8 "Share Handling Regulations".
 - (2)"Law Amending the Commercial Code and the Law Concerning Special Measures to the Commercial Code with Respect to Auditing, etc. of Joint Stock Corporation"(Law No.132, 2003) was enacted on September 25,2003, which permits a company to purchase its own shares by a resolution of the Board of Directors as authorized by the Articles of Incorporation. In accordance with this legislative

change, a new Article on Acquisition of Company's own Stock is proposed for the Company's Articles of Incorporation which enables the company to implement flexible capital strategy.
(3) In line with the amendments stated above, the numbers of relevant articles and other articles shall be appropriately adjusted.

4 . For Proposal 3 : (Election of 3 Directors) :

3 present directors will resign the office of director at the close of this General Meeting of Shareholders.
Accordingly, it is proposed that 3 directors be elected.

5 . For Proposal 4 : (Election of 2 Corporate Auditors) :

The terms of office of 2 corporate auditors expire at the close of this General Meeting of Shareholders.
Accordingly, it is proposed that 2 corporate auditors be elected.
The Board of Corporate Auditors has approved this proposal.

. Proposals by Shareholders :

There submitted no proposal from shareholders.