

News Release

Date: May 20, 2016
Hitachi Capital Corporation

News on Business Acquisition of Creekridge Capital LLC (US)

The growth strategy in the US is propelled by the acquisition of Vendor Finance Business in Healthcare and Technology.

Hitachi Capital Corporation (“*Hitachi Capital*”, Seiji Kawabe, President & CEO) signed definitive documentation to acquire the healthcare and IT focused vendor finance business of Creekridge Capital LLC (“*Creekridge*”, Greg Larson, Jeff Cowan, Co-CEOs) based in Minnesota through acquisition of the company by Hitachi Capital America Corp. (“*HCA*”, Chihiro Shirai, Chairman &CEO).

Since the establishment of HCA in October, 1989, Hitachi Capital has expanded its business to include Truck Retail Business, Equipment Finance, and Working Capital Finance. It strives to meet the needs of vendors and customers in the United States. Additionally, it has been expanding its business in the Americas by establishing an operation in Canada in October, 2012, followed by an acquisition of an US factoring business, and in May, 2014, acquiring a Canadian equipment financing company.

In the health care industry in the US, an average of 5.3%* annual growth is anticipated by 2019. In particular, Healthcare IT, which is a hybrid of Healthcare and IT sectors, is a promising industry with an anticipated growth of 13.5%* by 2020. Hitachi Capital’s decision to acquire Creekridge Capital’s business platform is supported by the firm’s strong expertise in financing healthcare, IT, and other products in the Vendor Finance space. Hitachi Capital will continue to promote its growth strategy through the enhancement of its vendor finance capabilities for its business partners, including the Hitachi group companies.

Hitachi Capital strives to create new social value through its product offerings and solutions that will deliver a strong value proposition to its customers in the Americas and help drive the world economy.

* Source: Three Keys Capital Advisors, LLC

■ Financial figures of the business to be transferred

	Results of the year ended December 31, 2015
Volume of business	138 million USD (approx. 15.2 billion yen)
Revenues	40 million USD (approx. 4.4 billion yen)
Gross profit	32 million USD (approx. 3.5 billion yen)
Profit before tax	9 million USD (approx. 1.0 billion yen)
Operating assets	300 million USD (approx. 33.0 billion yen)

*1 Based on US-GAAP

*2 1USD= 110 yen

■ Outline of Creekridge Capital LLC

(1) Name	Creekridge Capital LLC
(2) Location	Minnesota, the U.S.
(3) Representative	Co-CEO: Greg Larson Co-CEO: Jeff Cowan
(4) Business description	Vendor finance service for healthcare and IT
(5) Capital	2 million USD (approx. 0.2 billion yen)
(6) Establishment	April 1999
(7) Major Shareholders and Shareholdings	2 representatives (Co-CEO) 100%
(8) Total Assets	316 million USD (approx. 34.8 billion yen)
(9) Revenues	40 million USD (approx. 4.4 billion yen)
(10) Profit before tax	9 million USD (approx. 1.0 billion yen)

*1 Financial figures are results of the year ended December 31, 2015 based on US-GAAP

*2 1USD= 110 yen

■ Outline of Hitachi Capital America Corp.

(1) Name	Hitachi Capital America Corp.
(2) Location	Connecticut, the U.S.
(3) Representative	Chairman & CEO: Chihiro Shirai
(4) Business description	Leasing, loan, and inventory finance services for information communication equipment, industrial equipment, medical equipment, trucks, and others / Factoring business
(5) Capital	48 million USD (approx. 5.3 billion yen)
(6) Establishment	October 1989
(7) Major Shareholders and Shareholdings	Hitachi Capital Corporation 100%

■ Schedule

(1) Date of BOD resolution	April 28, 2016
(2) Date of the agreement	May 11, 2016 (EST)
(3) Date of business transfer	June 2016 (planned)

■ The impact of the transaction on the results of Hitachi Capital

The impact has been reflected in the forecast of consolidated results for the year ending March 31, 2017.

End