
Consolidated Financial Results Summary for Fiscal 2016

April 27, 2017

 **Hitachi Capital Corporation**

Contents

- 1. Summary of Consolidated Financial Results
for Fiscal 2016**
- 2. Summary of Performance by Business**
- 3. Consolidated Financial Forecast for Fiscal 2017**

1-1. Summary of Business Performance for FY2016

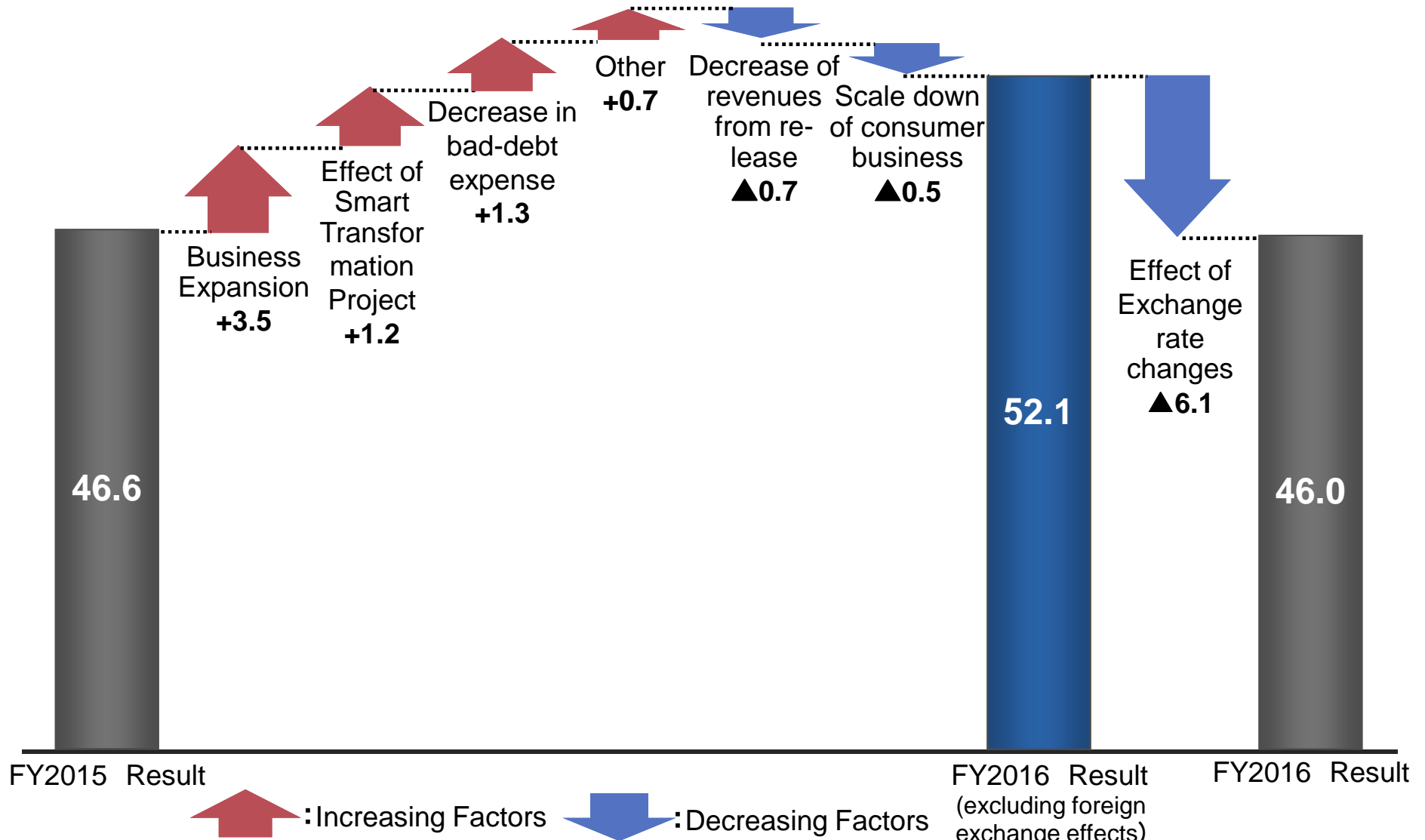
(Millions of yen)

	FY2015 Results	FY2016 Results	Y on Y Change	Foreign exchange effects	Y on Y (excluding foreign exchange effects)
Volume of business	2,290,156	2,334,252	102%	▲227,501	112%
Revenues	365,354	370,860	102%	▲29,748	110%
Cost of sales	235,340	245,100	104%	▲16,434	111%
Gross profit	130,014	125,759	97%	▲13,314	107%
Selling, general and administrative expenses	84,783	81,902	97%	▲7,192	105%
Profit before tax	46,667	46,033	99%	▲6,112	112%
Net income attributable to owners of the parent	32,694	32,926	101%	▲4,734	115%
Operating assets	2,947,146	2,994,489	102%	▲106,857	105%
ROE	9.9%	9.6%	▲0.3%	—	
ROA	1.6%	1.5%	▲0.0%	—	
OHR	59.9%	60.7%	+0.7%	—	
Yearly average currency exchange rate	Yen / £	181 yen	141 yen	▲40 yen	Exchange sensitivity (*1) : Approx. 110 million yen
	Yen / US \$	119 yen	108 yen	▲11 yen	Exchange sensitivity (*1) : Approx. 40 million yen

(*1) The impact on Profit before tax in case JPY vs £/\$ changed 1 yen (FY2016 results)

1-2. Changing Factors of Fiscal 2016 Profit before tax

(Billions of Yen)



2-1. Summary of Japan Business/Global Business

(Millions of yen)

		FY2015 Results	FY2016 Results	Y on Y Change	Foreign exchange effects	Y on Y (excluding foreign exchange effects)
Volume of business	Japan Business	1,204,565	1,081,481	90%	—	—
	Global Business	1,085,591	1,252,771	115%	▲227,501	136%
Gross profit	Japan Business	61,480	61,115	99%	—	—
	Global Business	68,191	63,402	93%	▲13,314	113%
Profit before tax	Japan Business	23,160	24,657	106%	—	—
	Global Business	28,372	27,850	98%	▲6,112	120%
Operating assets	Japan Business	1,680,213	1,644,013	98%	—	—
	Global Business	1,266,933	1,350,475	107%	▲106,857	115%
ROA	Japan Business	1.3%	1.5%	+0.2%	—	—
	Global Business	2.3%	2.1%	▲0.2%	—	—
ROA (Local currency basis)	Global Business	2.2%	2.2%	+0.0%	—	—

*Adjustments (company-wide expense) are not allocated to gross profit and profit before tax of Japan Business and Global Business.

2-2. Breakdown of Japan Business

(Millions of yen)

	Volume of business			Operating assets		
	FY2015 Results	FY2016 Results	Y on Y Change	FY2015 Results	FY2016 Results	Y on Y Change
Total of Japan Business	1,204,565	1,081,481	90%	1,680,213	1,644,013	98%
Account Solution	1,059,603	935,405	88%	1,138,721	1,161,994	102%
(of which, excluding factoring)	793,371	792,426	100%	967,003	1,081,416	112%
Vendor Solution	134,464	136,430	101%	319,557	318,501	100%
Total of reportable segments	1,194,067	1,071,835	90%	1,458,278	1,480,495	102%
(of which, excluding factoring)	927,835	928,857	100%	1,286,560	1,399,918	109%
Other	13,363	11,265	84%	221,934	163,518	74%
	Gross profit			Profit before tax		
	FY2015 Results	FY2016 Results	Y on Y Change	FY2015 Results	FY2016 Results	Y on Y Change
Total of Japan Business	61,480	61,115	99%	23,160	24,657	106%
Account Solution	39,016	40,008	103%	19,388	20,096	104%
(of which, excluding factoring)	38,273	39,620	104%	18,975	19,979	105%
Vendor Solution	12,417	12,210	98%	2,557	3,841	150%
Total of reportable segments	51,434	52,218	102%	21,946	23,937	109%
(of which, excluding factoring)	50,690	51,830	102%	21,532	23,821	111%
Other	10,046	8,896	89%	1,214	719	59%

*Adjustments (company-wide expense) are not allocated to total of Japan Business.

2-3. Breakdown of Global Business(1): Europe, The Americas

■ Europe (UK, Poland, the Netherlands)

(Millions of yen)

	FY2015 Results	FY2016 Results	Y on Y Change	Foreign exchange effects	Y on Y (excluding foreign exchange effects)
Volume of business	528,447	490,826	93%	▲134,877	118%
Gross profit	40,556	35,220	87%	▲9,891	111%
Profit before tax	17,398	15,842	91%	▲4,551	117%
Operating assets	613,822	593,770	97%	▲91,273	112%
ROA (Local currency basis)	2.7%	2.8%	+0.1%	—	—

■ The Americas (US, Canada)

(Millions of yen)

	FY2015 Results	FY2016 Results	Y on Y Change	Foreign exchange effects	Y on Y (excluding foreign exchange effects)
Volume of business	234,210	465,491	199%	▲52,260	221%
Gross profit	10,348	12,769	123%	▲1,382	137%
Profit before tax	3,534	4,343	123%	▲449	136%
Operating assets	231,374	304,183	131%	▲1,328	132%
ROA (Local currency basis)	1.7%	1.7%	+0.0%	—	—

2-3. Breakdown of Global Business(2): China, ASEAN

■ China (Hong Kong, Mainland China)

(Millions of yen)

	FY2015 Results	FY2016 Results	Y on Y Change	Foreign exchange effects	Y on Y (excluding foreign exchange effects)
Volume of business	236,482	207,756	88%	▲30,042	101%
Gross profit	11,799	10,422	88%	▲1,501	101%
Profit before tax	7,193	7,429	103%	▲1,065	118%
Operating assets	309,083	328,897	106%	▲10,244	110%
ROA (Local currency basis)	2.3%	2.4%	+0.1%	—	—

■ ASEAN (Singapore, Thailand, Malaysia, Indonesia)

(Millions of yen)

	FY2015 Results	FY2016 Results	Y on Y Change	Foreign exchange effects	Y on Y (excluding foreign exchange effects)
Volume of business	86,451	88,696	103%	▲10,321	115%
Gross profit	5,486	4,991	91%	▲538	101%
Profit before tax	245	235	96%	▲46	115%
Operating assets	112,652	123,623	110%	▲4,011	113%
ROA (Local currency basis)	0.2%	0.2%	+0.0%	—	—

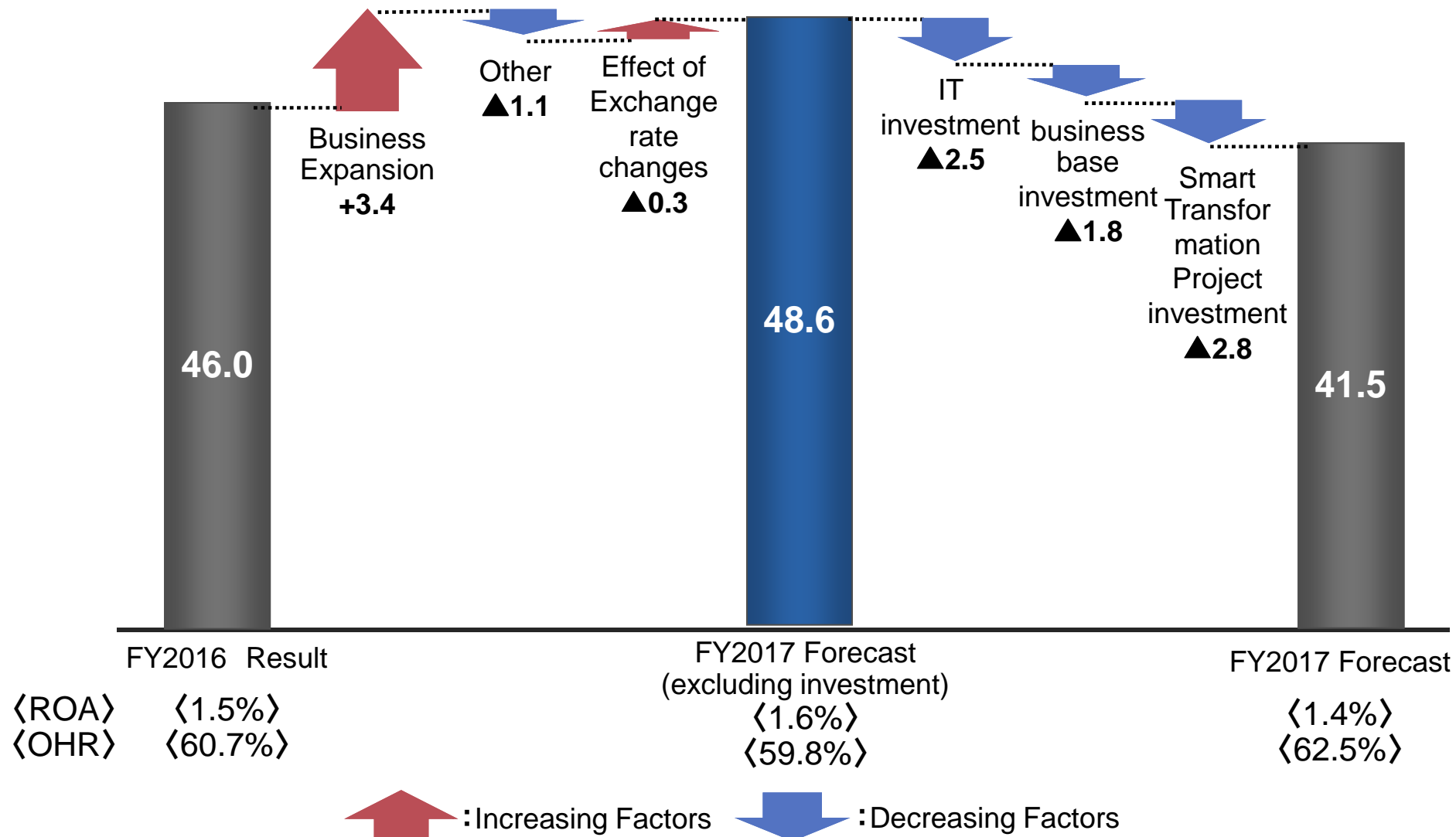
3-1. Consolidated Financial Forecast for FY2017

(Millions of yen)

	FY2016 Results	FY2017 Forecasts	Y on Y Change	
Volume of business	2,334,252	2,273,000	97%	
Revenues	370,860	398,900	108%	
Cost of sales	245,100	267,000	109%	
(of which, cost of capital)	25,982	30,500	117%	
Gross profit	125,759	131,900	105%	
Selling, general and administrative expenses	81,902	89,200	109%	
Profit before tax	46,033	41,500	90%	
Net income attributable to owners of the parent	32,926	29,400	89%	
Dividend per share (yen)	86.00	86.00	—	
Payout ratio	30.5%	34.2%	+3.7%	
ROE	9.6%	8.3%	▲1.3%	
ROA	1.5%	1.4%	▲0.2%	
OHR	60.7%	62.5%	+1.9%	
Yearly average currency exchange rate	Yen / £	141 yen	140 yen	▲1 yen
	Yen / US \$	108 yen	110 yen	+2 yen

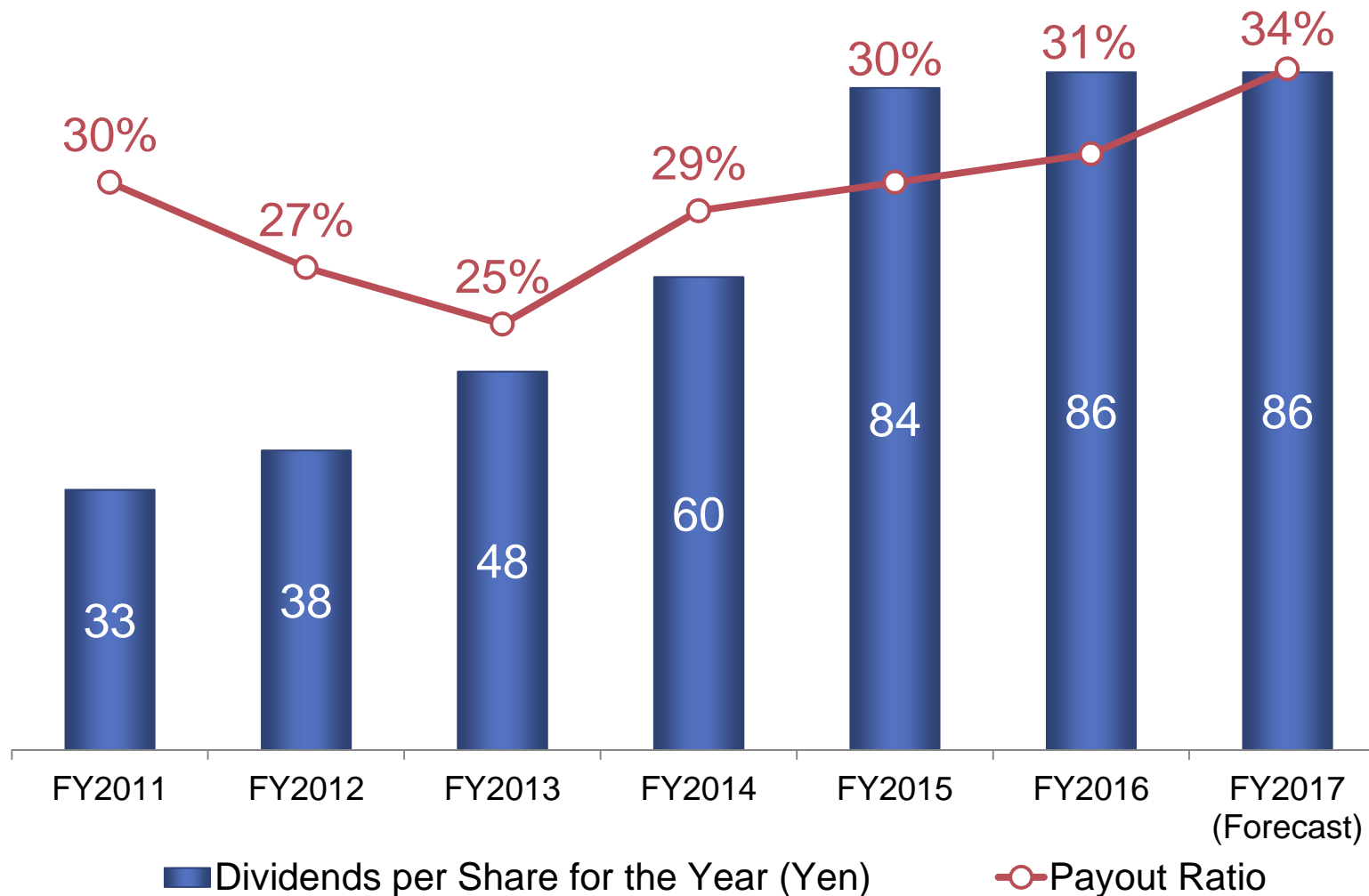
3-2. Changing Factors of FY2017 Profit before tax

(Billions of Yen)



3-3. Trends of annual cash dividends per share/ payout ratio

FY2017(Forecast): Plan to distribute 86 yen cash dividends per share



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Note:

This document contains forward - looking statements with respect to future results, performance and achievements that are subject to risk and uncertainties and reflect management's views and assumptions formed using information available at the time. Accordingly, forecasts may differ from actual results due to a variety of factors.

Appendix

Breakdown of Cost of Sales/SG&A

■ Breakdown of cost of sales

(Millions of yen)

	FY2015 Results	FY2016 Results	Y on Y Change
Cost of sales	235,340	245,100	104%
(of which, cost of capital)	26,771	25,982	97%

■ Breakdown of SG&A

(Millions of yen)

	FY2015 Results	FY2016 Results	Y on Y Change
Selling, general and administrative expenses	84,783	81,902	97%
(of which, personnel costs)	45,370	44,760	99%
(of which, business management expenses, etc.)	32,546	31,513	97%
(of which, bad debt-related expenses)	6,866	5,627	82%

Quarterly Credit Trends by Region

	Credit loss ratio			
	FY2013 Results	FY2014 Results	FY2015 Results	FY2016 Results
Total	0.12%	0.12%	0.16%	0.15%
Japan	0.06%	0.05%	0.06%	0.04%
Europe	0.16%	0.15%	0.28%	0.26%
The Americas	0.24%	0.16%	0.30%	0.41%
Asia	0.41%	0.40%	0.36%	0.27%

(Millions of yen)

	Credit loss			
	FY2013 Results	FY2014 Results	FY2015 Results	FY2016 Results
Total	3,638	3,949	5,327	5,103
Japan	1,349	954	1,125	823
Europe	818	956	1,797	1,613
The Americas	213	297	739	1,357
Asia	1,256	1,741	1,667	1,309