

News Release

Hitachi Capital to Dispose of Treasury Stock

Hitachi Capital Corporation wishes to serve notice that it has resolved to draw on treasury stock, instead of issuing new shares, to meet its obligation to hand over shares upon the conversion of bonds with subscription rights (first series of unsecured convertible bonds) issued on 24th May, 1989. Details are as follows.

1. Total of number of shares to be disposed of:

Up to 5,390,539 shares

2. Price of shares to be disposed of:

Undetermined (contingent upon conversion date for bonds with subscription rights)

3. Disposal period:

From 9th September, 2004 to 29th September, 2004 (conversion application period)

(Reference)

1. Overview of first series of unsecured convertible bonds (as of 29th August, 2004)

(1) Date of issue	24th May, 1989
(2) Redemption deadline	30th September, 2004
(3) Total amount issued	¥15.0 billion
(4) Balance of convertible bonds	¥8,889 million
(5) Conversion price	¥1,649
(6) No. of diluted shares	5,390,539

2. Total number of treasury shares and holding price (as of 29th August, 2004; contractual basis)

(1) Total number of shares	16,664,900
(2) Holding price	¥26,318 million

3. Other Matters

In the event of the conversion of bonds with subscription rights, there will be no increase in the total number of shares issued and outstanding because there will be no issue of new shares.

The disposal of treasury stock will have no effect on Hitachi Capital's earnings.