

## Hitachi Capital to Establish a Leasing Company in China

After several years of extensive market research, Hitachi Capital is pleased to announce its official entry into the China leasing market. Considered one of the worlds Top 10 Expanding Markets, China represents an excellent opportunity for Hitachi Capital to expand its brand value and cultivate new business opportunities. China's recent admission into the WTO has brought rapid and broad deregulation to the country. As a facet of this deregulation, the Chinese Government has implemented the Foreign Investment and Lease Management Law, allowing foreign-capital firms to establish wholly-owned leasing businesses within its borders.

Seeing this as an opportunity, we applied for the establishment of a leasing company in a joint venture (with the entire capital coming from Hitachi Group) with Hitachi (China) Co., Ltd. The Chinese Department of Commerce recently approved the application and ratified the new company.

### 1. Purpose of establishing the company

The new company will be established to make an early entry into the Chinese market, where financial deregulation is in progress, and to create and develop a growth strategy for leasing business in the new market.

### 2. Outline of the new company

(1) Name of company: Hitachi Capital Leasing (China) Co., Ltd.

(2) Address of main office:

(Beijing Fortune Building, 5 , Dong san huan bei lu, Chao yang District, Beijing, China.)

(3) Operations: Leases and auxiliary operations

(4) Paid-in capital: \$20,000,000 US

(5) Shareholders: Hitachi Capital (75%), Hitachi (China) Co., Ltd. (25%)

(6) Chief executive officer: Hideyuki Iikura

(Executive Vice President and General Manager of Leasing Division of Hitachi Capital Corporation)

(7) General Manager: Seika Ryu

[Biography]

Date of birth: November 18, 1959 (45-years old)

[Academic and work history]

July 1983: Graduated from Beijing University

July 1986: Graduated from Graduate School of Tsinghua University

February 2005: Joined Hitachi Capital Corporation (assigned to Beijing Office)

(8) Scheduled establishment: May 1, 2005

(9) Scheduled operation startup: July 1, 2005

### 3. Business concept of the new company

In the beginning, the new company will primarily provide leases of Hitachi Group's medical devices to preferred hospitals to establish a profit base.

As the next step, the new company will deploy full-fledged finance leases and operating leases in anticipation of financial deregulation from 2007.