

Re: Launching Carbon Offset Services
-- Contribution to Prevention of Global Warming --

We are pleased to inform you that Hitachi Capital Corporation will launch a “Carbon Offset Service” to promote products and services designed to reduce greenhouse gases and make a positive contribution to the prevention of global warming.

-- Description --

1 . About carbon offset

A carbon offset is part of a system to offset all or part of a greenhouse gas emission that would be difficult to reduce, through the purchase of an equivalent reduction or absorption amount (a Credit) by the company endeavoring to reduce greenhouse gas emissions.

We will carry out the carbon offset service by procuring a CER (Certified Emission Reduction) generated from CDM (Clean Development Mechanism) business in the Kyoto mechanism specified by the Kyoto Protocol and certified by the United Nations. In launching this service, we purchased the CER from a nitrous oxide emission reduction project in Paulinia, Sao Paulo, Brazil in the form of a trust beneficiary right through Mitsubishi UFJ Trust and Banking Corporation. The carbon offset certificate was issued by us.

2 . Carbon offset service provided by Hitachi Capital Corporation

(1) Carbon offset lease

This service is designed to offset the greenhouse gas amount assumed to be generated during the lease period in cases where a client leases Hitachi group products. We will select offset-adapted products and provide value-added lease products.

(2) Carbon offset trustee service

Our trustee service for carbon offsets is for products and services sold by the Hitachi Group and other companies. This service helps promote contributions to the prevention of global warming through greenhouse gas reductions, by supporting the planning and development of carbon offset-related products.

(Introduction of trustee services)

① Services for Hitachi Construction Machinery Co., Ltd.

This carbon offset trustee service is for the sale of forestry machinery. Hitachi Construction Machinery Co., Ltd. also works toward company-wide prevention of global warming by leasing hybrid cars.

The company is also a member of the “Kizukai Campaign” hosted by the Forestry

Agency, thus supporting the aggressive promotion of domestic lumber.

② Services for Hitachi Consumer Marketing, Inc.

This carbon offset trustee service is for introducing an “Electric Power Consumption Optimization System” by Hitachi Consumer Marketing, Inc. This product was adopted by the publicly offered business hosted by the Ministry of the Environment in 2008 (Carbon Offset Model Business Plan Research), so the company is now coming up with a detailed plan for the business.

③ Services for Hitachi Capital Auto Lease

This carbon offset trustee service is for greenhouse gas emitted from cars (including hybrid cars) used by the lease clients.

3. Main features of the carbon offset service

- (1) Helps clients to widely publicize their contribution to the prevention of global warming as part of their CSR (Corporate Social Responsibility) activities, as they can publish the details of the contribution in their environmental report.
- (2) If a client company should try to obtain the emission credit itself, it will suffer from various cumbersome office procedures. This service allows the client to rely on our company in obtaining and managing the emission credit necessary for the carbon offset, thus enabling the client to largely reduce the operational burden on their business.
- (3) In general, emission credits are mostly dealt with in large lots, and may be difficult to obtain in small lots. Our service allows clients to obtain carbon offsets even in small lots (one ton of CO₂ or more).