

November 2, 2011

Hitachi Capital Corporation

**Re: Business and Capital Alliances with Sumitomo Mitsui Auto Service Company, Limited**

As described in “Notice Regarding Business & Capital Alliances for Strategic Joint Partnership in Auto Leasing Business” (Refer to URL: <http://www.hitachi-capital.co.jp/hcc/topics/2011/pdf/20110331.pdf>) officially announced as of March 31, 2011 and “Final Contract Conclusion on Strategic Joint Partnership in Auto Leasing Business” (Refer to the attached materials) officially announced today, Hitachi Capital Corporation (President & CEO: Kazuya Miura, hereinafter called Hitachi Capital) and Capital Auto Lease Corporation (President: Akio Ofuji, hereinafter called Hitachi Capital Auto Lease) are writing to inform you that we made a conclusion of corporate board of directors (Final contract conclusion for the business and capital alliance was left entirely to President & CEO of Hitachi Capital Corporation and President of Hitachi Capital Auto Lease, respectively) on October 27, 2011, and made a final contract conclusion today with a subsidiary of Sumitomo Corporation (President: Susumu Kato, hereinafter called Sumitomo Corp), Sumitomo Mitsui Auto Service Company, Limited (President: Makoto Sato, hereinafter called Sumitomo Mitsui Auto Service) as follows, regarding (1) Business alliance aiming for strategic joint auto lease business, (2) Acquisition of part of shares of Sumitomo Mitsui Auto Service stock possessed by Sumitomo Corp by Hitachi Capital, and (3) Transfer of part of shares of Hitachi Capital Auto Lease stock possessed by Hitachi Capital to Sumitomo Mitsui Auto Service (Hereinafter (1) is called Business alliance, (2) and (3) are called Capital alliance, and (1) to (3) are collectively called Business and Capital Alliances).

**1. Content of Business Alliance**

Hitachi Capital, Hitachi Capital Auto Lease, and Sumitomo Mitsui Auto Service will proceed with a comprehensive business alliance to actualize a first rank auto lease business that provides high value-added products and services to our customers by pursuing fairness and transparency.

**2. Content of Capital Alliance**

To facilitate the business alliance, Hitachi Capital shall acquire 6,334,088 shares (20% of total number of shares issued) of Sumitomo Mitsui Auto Service stock possessed by Sumitomo Corp and shall transfer 2,940 shares (49% of total number of shares issued) of Hitachi Capital Auto Lease stock possessed by Hitachi Capital to Sumitomo Mitsui Auto Service.

1) Content of acquisition of Sumitomo Mitsui Auto Service stock by Hitachi Capital

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|--------------------------------|---|
| (1) Transferor:                | Sumitomo Corporation  |
| (2) Acquisition cost:          | 2,560 yen per share (rounded off to the closest whole number) |
| (3) Number of acquired shares: | 6,334,088   |
| (4) Total acquisition cost:    | 16,213 million yen  |
| (5) Stock acquisition date:    | January to March, 2012 (planned)                              |

\* Note: As for (2) Acquisition cost and (4) Total acquisition cost, 20% (stock acquisition ratio of Hitachi Capital) of the transferred amount of consolidated net assets of Sumitomo Mitsui Auto Service from April 2011 until the date of executing the stock transfer is adjusted.

2) Content of transfer of Hitachi Capital Auto Lease stock to Sumitomo Mitsui Auto Service

- (1) Transferor: Hitachi Capital
- (2) Transfer cost: 1,971,931 yen per share (rounded off to the closest whole number)
- (3) Number of transferred shares: 2,940
- (4) Total transfer cost: 5,797 million yen
- (5) Stock transfer date: January to March, 2012 (planned)

\* Note: As for (2) Transfer cost and (4) Total transfer cost, 49% (stock acquisition ratio of Sumitomo Mitsui Auto Service) of transferred amount of unconsolidated net assets of Hitachi Capital Auto Lease from April 2011 until the date of executing the stock transfer is adjusted.

3. Summary of Parties Involved in Business Alliance

(1) Company profile (as of March 31, 2011)

Company name	Hitachi Capital Auto Lease Corporation	Sumitomo Mitsui Auto Service Company, Limited
Headquarters location	15-12, Nishi-Shimbashi 2-chome, Minato-ku, Tokyo, Japan	20-2, Nishi-Shinjuku 3-chome, Shinjuku-ku, Tokyo, Japan
Representative	President: Akio Ofuji	President: Makoto Sato
Date of foundation	October 23, 1989	February 21, 1981
Line of business	Leasing of various vehicles	Leasing of various vehicles
Capital	300 million yen	6,950 million yen
Total number of shares issued	Common stock: 6,000 shares	Common stock: 26,919,871 shares Classified stock A: 4,750,565 shares

Major shareholder and its ratio of shareholding (breakdown)	Hitachi Capital: 100%	Sumitomo Corp: 60% (Common stock: 16,151,923 shares) (Classified stock A: 4,750,565 shares) SMFG: 40% (Common stock: 10,767,948 shares)
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(2) Relationship between Hitachi Capital Auto Lease and Sumitomo Mitsui Auto Service

Capital relationship	There is no capital relationship to be noted between Hitachi Capital Auto Lease and Sumitomo Mitsui Auto Service. Also, there is no significant capital relationship between persons concerned and related companies of Hitachi Capital and persons concerned and related companies of Sumitomo Mitsui Auto Service.
Human relationship	There is no human relationship to be noted between Hitachi Capital Auto Lease and Sumitomo Mitsui Auto Service. Also, there is no significant capital relationship between persons concerned and related companies of Hitachi Capital and persons concerned and related companies of Sumitomo Mitsui Auto Service.
Business relationship	There is no business relationship to be noted between Hitachi Capital Auto Lease and Sumitomo Mitsui Auto Service. Also, there is no significant capital relationship between persons concerned and related companies of Hitachi Capital and persons concerned and related companies of Sumitomo Mitsui Auto Service.
Status of applying to related parties	Sumitomo Mitsui Auto Service does not apply to related parties of Hitachi Capital Auto Lease. Also, persons concerned and related companies of Sumitomo Mitsui Auto Service do not apply to Hitachi Capital Auto Lease.

(3) Business performance for the latest three fiscal years

	Hitachi Capital Auto Lease (unconsolidated)		
Settlement period	FY March 2009	FY March 2010	FY March 2011
Net assets	11,232 million yen	11,654 million yen	11,831 million yen
Total assets	107,667 million yen	104,469 million yen	104,305 million yen
Net assets per share	1,872,071 yen	1,942,427 yen	1,971,931 yen
Sales	40,109 million yen	39,967 million yen	40,904 million yen
Operating income	920 million yen	1,249 million yen	1,068 million yen
Ordinary income	897 million yen	1,226 million yen	1,050 million yen
Net income for the period	963 million yen	633 million yen	485 million yen
Net income per share for the period	160,569 yen	105,640 yen	80,862 yen
Dividend per share	48,167 yen	31,700 yen	23,472 yen

	Sumitomo Mitsui Auto Service (unconsolidated)		
Settlement period	FY March 2009	FY March 2010	FY March 2011
Net assets	71,504 million yen	74,649 million yen	76,802 million yen
Total assets	487,924 million yen	437,581 million yen	406,140 million yen
Net assets per share	2,257.78 yen	2,357.08 yen	2,425.05 yen
Sales	235,445 million yen	218,771 million yen	213,647 million yen
Operating income	5,435 million yen	4,982 million yen	11,156 million yen
Ordinary income	5,548 million yen	8,538 million yen	11,526 million yen
Net income for the period	2,573 million yen	4,345 million yen	4,290 million yen
Net income per share for the period	81.24 yen	137.21 yen	135.47 yen
Dividend per share	40 yen	68 yen	68 yen

4. Schedule

November 2, 2011

January to March, 2012 (planned)

Final contract conclusion

Execution of share transfer

(after approved by the relevant authority)

5. Future Prospect

The business and capital alliances have a minor influence on our consolidated business performance.