

Hitachi Capital Report 2015

Year ended March 31, 2015



Principles of Defining Report Content

From fiscal 2016, Hitachi Capital's yearly statements are published as the "Hitachi Capital Report," presenting both financial and non-financial information, in order to understand the Hitachi Capital Group better. The report covers basic principles, organizational structure, related policies, key indicators—all of which relate to management in as much detail as possible.

■ Scope of the Report

Financial information (Economic Reports):
Hitachi Capital Corporation and 33 consolidated subsidiaries

Non-financial information
(Social and Environmental reports):
Hitachi Capital Corporation

** Where the scope is different to the above, it will be specified within the report.*

■ Period

Fiscal 2015 (April 1, 2014 to March 31, 2015)

** Some of our recent activities also included.*

■ Material Used to Prepare This Report

ISO26000:2010, International Organization for Standardization

"G3.1 Sustainability Reporting Guidelines" GRI (Global Reporting Initiative) (March 2011)

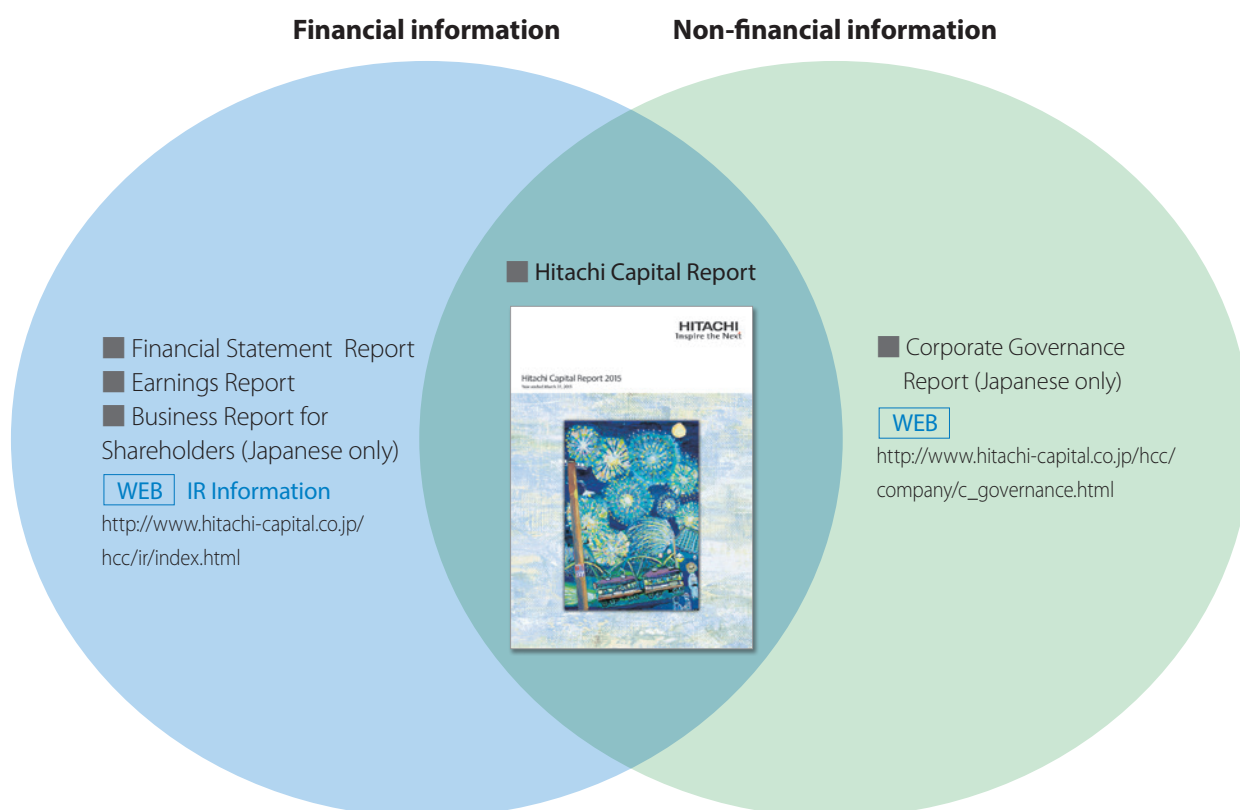
"Environmental Reporting Guidelines 2012" Ministry of the Environment, Japan (April 2012)

"Environmental Accounting Guidelines 2005" Ministry of the Environment, Japan (February 2005)

■ Cautionary Statement Regarding Information in this Report

- This report has been prepared and updated with information available as of the date of publication.
- The earnings forecasts and other forward-looking statements in this report are made by the Company based on information available at the time of preparation, and include latent risks and uncertainties.

■ Various Communication Tools



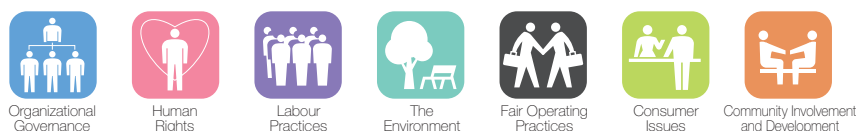
Hitachi Capital Group and Stakeholders



Management Philosophy of Hitachi Capital and ISO26000 Key Themes

Hitachi Capital Group positioned its management philosophy, stakeholders, and the ISO26000 core subjects as follows, in preparing the Hitachi Capital Report for this fiscal year.

(Each page in this report is marked with the following icons indicating core subjects.)



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Contribute to Creating a Better Society through the Cultivation of Financial Services Needed by Customers and Society

Hitachi Capital Group aims to “contribute to creating a better society through the cultivation of financial services needed by customers and society”. We believe that by implementing this management philosophy, which includes “Sustainable Growth”, “Respect for Human Dignity”, and “Implementation of Corporate Ethics”, we can achieve our CSR (Corporate Social Responsibility) goals.



As a member of the Hitachi Group, we have established a relationship of mutual trust with stakeholders by providing financial services and solutions that take advantage of our strengths as a manufacturer-affiliated financial services company familiar with the flow of products.

Steadily implementing the Mid-Term Management Plan as a “Growth Stage”

The Hitachi Capital Group’s performance results were significantly affected by the changes to accounting standards for leases in fiscal 2009, and the global financial crisis that followed the collapse of Lehman Brothers.

In response, we designated the Mid-Term Management Plan for fiscal 2011 to fiscal 2013 as the “Recovery Stage,” and by focusing on profitability and investing resources aggressively in growing sectors, managed to restore earnings to pre-fiscal 2009 levels.

We position the current Mid-Term Management Plan for fiscal 2014 to fiscal 2016 (see p.9) as the “Growth Stage.” Amid a global and constantly changing business environment, we are working on a transformation into a “highly competitive management base” that will realize growth strategies and strengthen our management base. These efforts resulted in a second consecutive year of record high ordinary income.

The Group is enhancing corporate value through a solution-oriented service model that extends beyond the conventional framework of financial products centered on financing, to resolve together the issues customers and society are facing. In Japan Business, to strengthen customer-oriented key account sales, we worked to provide solutions by enhancing collaboration with the Hitachi Group and other partners. At the same time, we scaled down low-profit operations such as consumer business, selecting and concentrating on businesses to



Signing ceremony for a business partnership with the major Indian financial company Srei Equipment Finance Ltd.



Communication Roadshow held in the U.S.

“transform business model for regrowth.” In Global Business, we are accelerating true globalization with systematic development, combining growth strategies in our four key management areas (Europe, the Americas, China, and ASEAN) with stronger governance. In addition to regional strategies in Japan, Europe, the Americas, China, and ASEAN, we are also pursuing the global implementation of group common strategy for service business (“Collaboration with the Hitachi Group” “Vehicle solution” “Key account solution”).

The Group will focus on achieving the targets of current Mid-Term Management Plan, and aim to further enhance corporate value in the next mid-term management plan for fiscal 2017 to fiscal 2019.

Contribute to build a better society by enhancing accountability^{*1}

I believe that people are constantly creating new values, and that employees, as “human capitals” are important assets for the sustainable growth of a company. Especially important is employee engagement^{*2}, where each employee acts proactively as an autonomous individual, values harmonious teamwork with mutual respect, involves many stakeholders as a leader, and enhance organization. From fiscal 2015, as an opportunity for management and employees to exchange views and share thoughts and ideas, we held “Communication Roadshows” more than 30 times not only in Japan but overseas, with more than 1,000 employees participating. These events help to foster a corporate culture in which employees work more proactively.

In addition, to better clarify the responsibilities of the corporate group regarding CSR, and to further dialogue with stakeholders both inside and outside the Company, in April 2014 we created the new position of CSR director, and in July estab-

lished the CSR Promoting Preparatory Committee comprising executive officers and Heads of departments. The Preparatory Committee, based on an understanding of the current CSR policy and activities of the Group, analyzed the opportunities and risks in management issues, and identified important issues at the management level. In April 2015 we launched the CSR Promotion Committee at the department head level to plan and create structures to clarify materiality, and enhance CSR throughout the Group.

From fiscal 2016, Hitachi Capital has voluntarily adopted International Financial Reporting Standards (IFRS), switching from Japan-GAAP in order to improve the comparability of the financial information in the global market, and broaden domestic and overseas shareholder and investor base, as well as diversity funding methods. In addition, from 2015 the Group has combined its previous Annual Report centered on financial information, and CSR Report with mainly non-financial information, into a integrated “Hitachi Capital Report” presenting management policies, business activities, and CSR activities in a unified manner. Going forward we will strive to expand the range of information provided, and gain the understanding of stakeholders both inside and outside the Company.

Hitachi Capital Group recently started its Group-wide CSR activities. We will continue to enhance accountability and continue to communicate openly with stakeholders, as we continue to work to contribute to creating a better, sustainable society.

Representative Executive Officer,
President and Chief Executive Officer
Kazuya Miura

^{*1} Accountability – The requirement for governments, corporations, and all persons who exercise authority in organizations that exert influence in society to report to stakeholders, directly and indirectly, their plans, content, results, and other information regarding their activities and exercise of authority

^{*2} Engagement – A feeling of commitment to the company, the connection between the company and stakeholders. More than just simple loyalty or satisfaction, it is a position in which persons become stakeholders of the Company by their own accord and feel that they are able to grow into their best selves. It is a strong relationship in which efforts for self-actualization also contribute to the realization of the Company's philosophy.

Basic Management Policy

The Hitachi Capital Group was established in 2000 through the merger between Hitachi Credit Corporation and Hitachi Leasing Corp. Hitachi Credit Corporation developed from Hitachi, Ltd.'s installment sales company for home electrical appliances. Hitachi Leasing was established in 1968 as Japan's first manufacturer-affiliated general leasing company, taking over the leasing divisions of Hitachi, Ltd., Nissei Sangyo Co., Ltd. (Now Hitachi High-Technologies Corporation), and others.

To understand and embrace the corporate philosophies and ethics between all employees, the basic management policy is created which encompasses three key areas - "Management Philosophy", "Action Guidelines" and "Management Policies."

Basic Management Policy

■ Management Philosophy

The Hitachi Capital Group uses the following management policy to "contribute to creating a better society through the cultivation of financial services needed by customers and society."

■ Action Guidelines

Under the following three action guidelines, the Hitachi Capital Group companies will strive to win the confidence and trust of customers.

■ Management Policies

The Hitachi Capital Group will provide financial services trusted by customers and the local community, taking a global perspective to meet the needs of society in such ways as consideration for the environment.

To achieve this, we will always bear in mind and sincerely adhere to the following principles.

I Sustainable Growth

As a credibility-first financial service business, we will achieve sustainable growth backed by high-quality management.

II Respect for Human Dignity

We will strive to increase our corporate strengths by improving ourselves as persons and treating each other with respect.

III Implementation of Corporate Ethics

We will voluntarily act in accordance with laws and ethics and contribute to the development of a wholesome society.

I Aiming for secure and trusted management

With a responsibility to support sound economic activities, we will continue to be companies that can be trusted by our communities and customers.

II Trying to cultivate our own services and products

Making full use of the characteristics of manufacturer-affiliated financial companies, we will use our expertise in each special field, to produce unique financial services and products.

III Achieving customer satisfaction with pride and joy in our work

We will respect the dignity and individual personality of every staff member and enhance job satisfaction by working together as a team to achieve customer satisfaction.

I "Basics" and "Ethics"

We will always return to the basics and keep on the right path.

II "Stand on One's Own" and "Coexistence"

We will stand and act on our own, and at the same time, coexist in harmony with our surroundings.

III "Quality" and "Development"

We will continue to develop our business through reliable quality.



Organizational
Governance



Human
Rights



Labour
Practices



The
Environment



Fair Operating
Practices



Consumer
Issues



Community Involvement
and Development

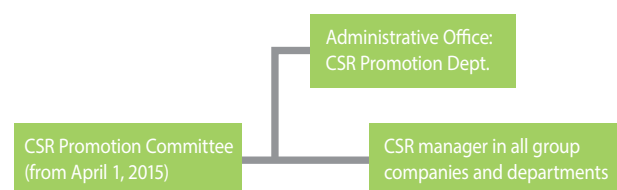
CSR Promotion Organization

We believe that by implementing our management philosophy, we can achieve our CSR goals.

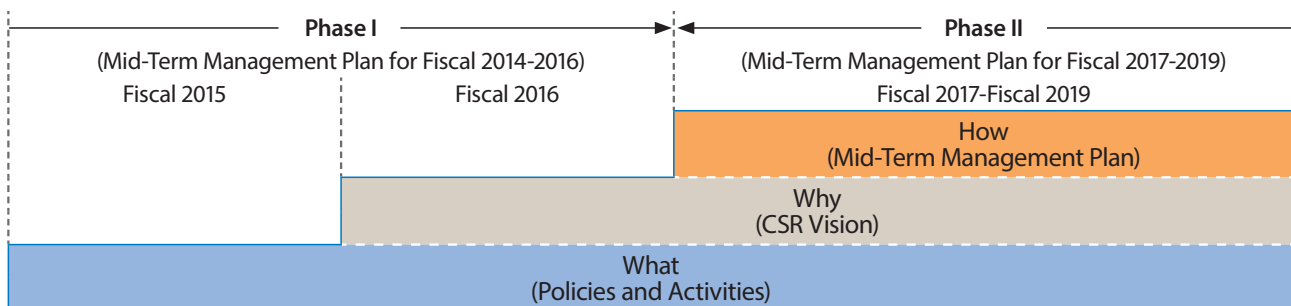
In April 2014 Hitachi Capital created the new position of CSR director, and in July established the cross-functional CSR Promotion Preparatory Committee comprising executive officers and Heads of departments. This committee, based on an understanding of the current CSR policy and activities of the Hitachi Capital Group, and a consideration of the ideal form for the Group, identified and selected materiality to be addressed at the management level. In April 2015 we launched the CSR Promotion Committee at the department head level, and are formulating a “CSR Vision”

outlining the necessity and direction of the CSR program. The goals and measures for the CSR issues we aim to resolve will be incorporated in the upcoming Mid-Term Management Plan (Fiscal 2017 – Fiscal 2019), as part of our effort to clarify important issues, and formulate and implement a plan.

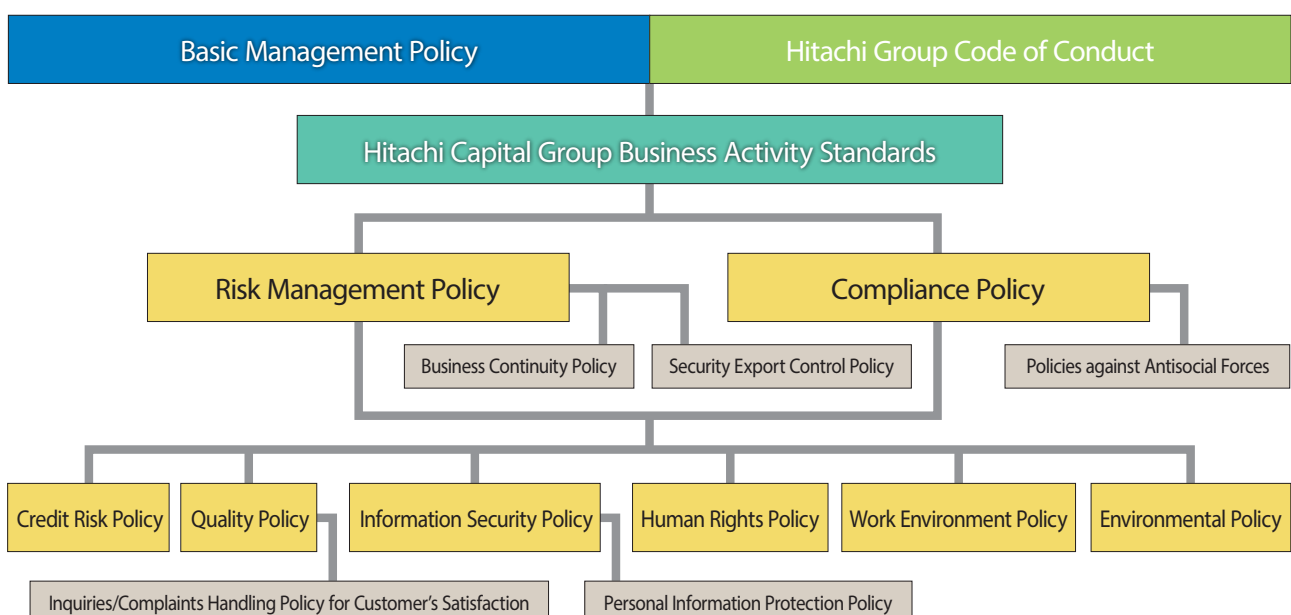
Fiscal 2016 CSR Promotion Organization



Hitachi Capital CSR Vision Formulation and Direction



Policies Related to the Hitachi Capital Group's Business Activities (as of Fiscal 2015)



I Sustainable Growth

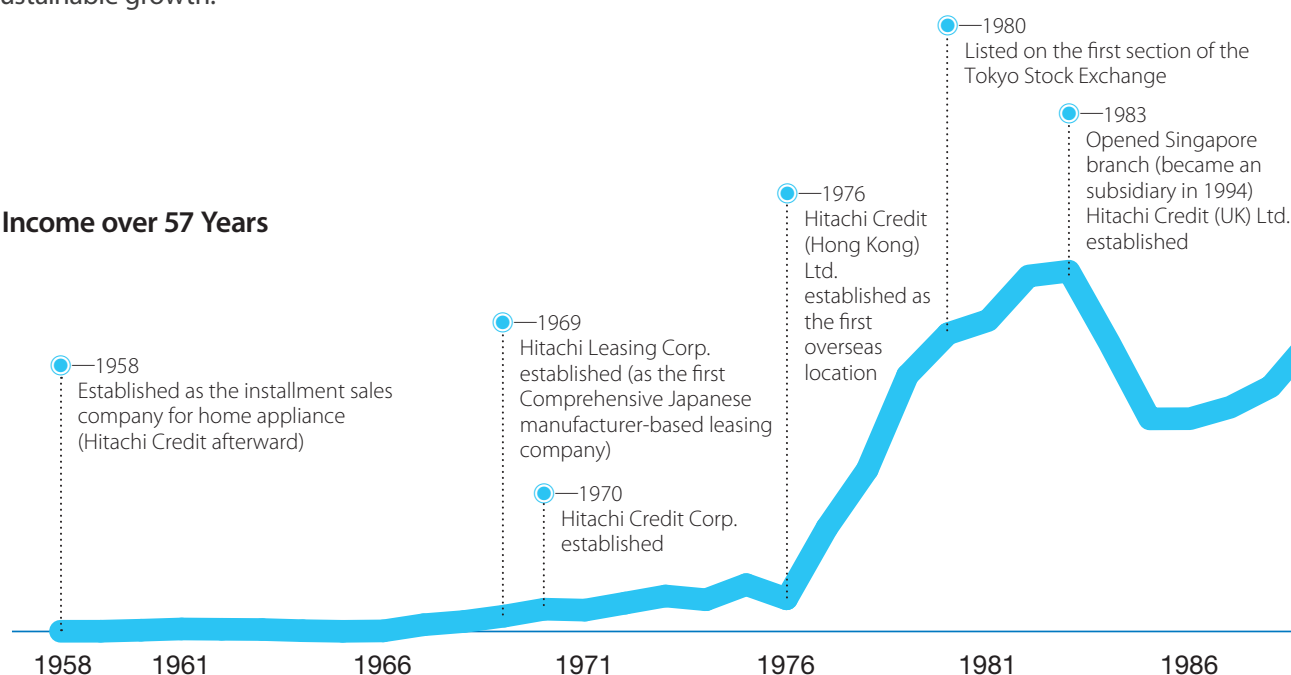
Hitachi Capital's Path of Sustainable Growth

Hitachi Capital Corporation has continually developed its business with the aim of contributing to creating a better society through the cultivation of financial services needed by customers and society since its founding.

Since recording our first profits in the third year of operation, we have overcome the disposal of bad debts in the 1980s, and the changes to accounting standards for leases and the global financial crisis that followed the collapse of Lehman Brothers, and in fiscal 2015 achieved a second consecutive year of record high profits.

Going forward, we will work together with customers and society to resolve issues, and pursue sustainable growth.

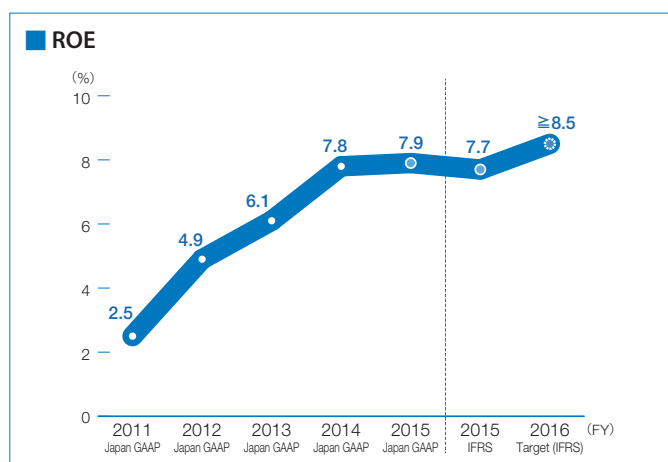
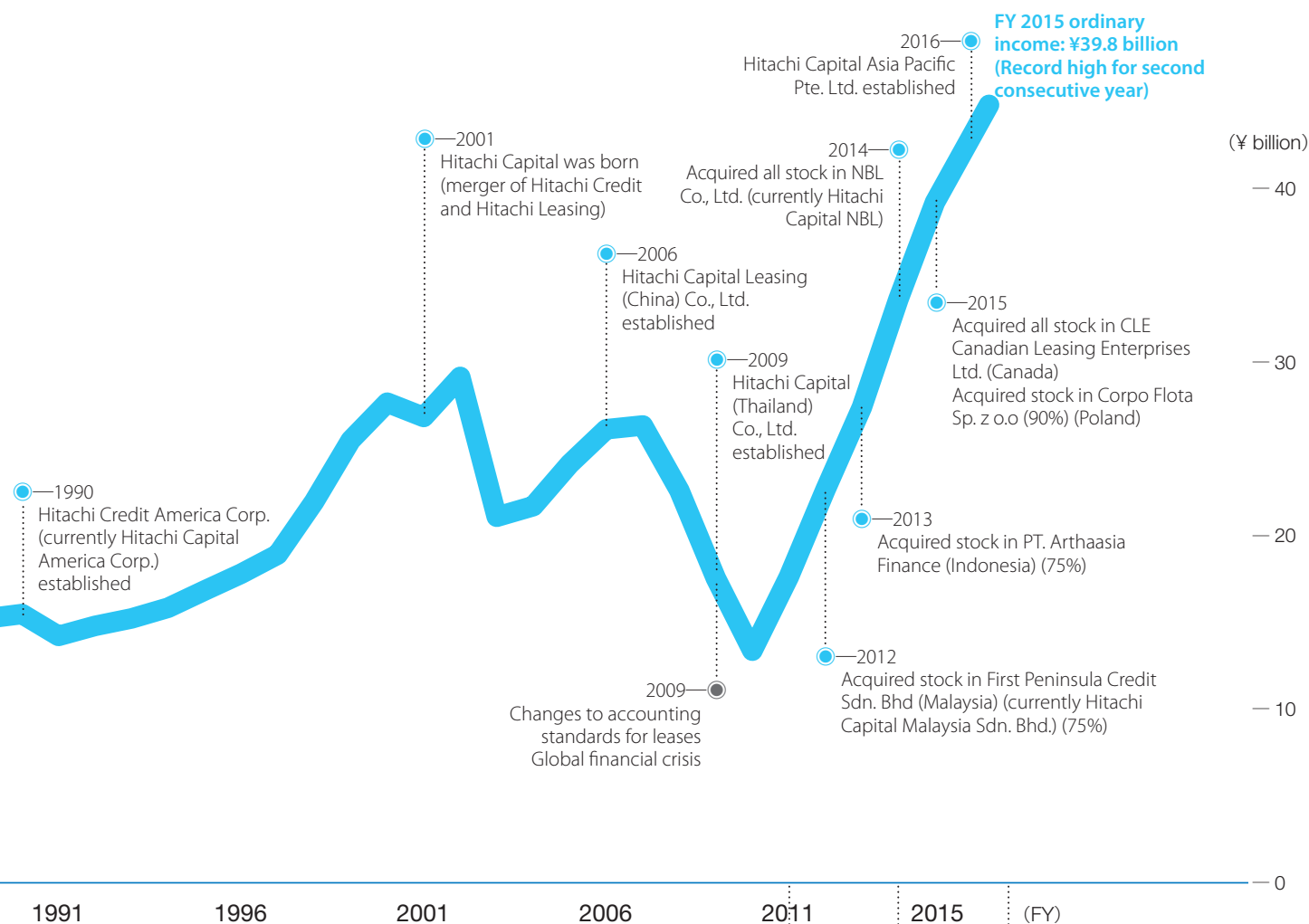
■ Ordinary Income over 57 Years



■ Corporate Value Highlights in the Mid-Term Management Plan "Growth Stage" (FY2014 – FY2016)

* From fiscal 2016, the Company switched from Japan GAAP to International Financial Reporting Standards (IFRS). * — : Not applicable.

Fiscal Year	FY2014 (Japan GAAP)	FY2015 (Japan GAAP)	FY2015 (IFRS)		FY2016 Target (IFRS)
Management Indicators					
ROE* ¹	7.8%	7.9%	ROE* ¹	7.7%	≥ 8.5%
OHR* ²	66.9%	64.5%	OHR* ²	63.1%	< 63%
Ordinary Income	¥33.6 billion	¥39.8 billion	Income before income taxes	¥35.5 billion	¥42.8 billion
Customers					
Volume of business	¥1,954.3 billion	¥2,118.8 billion	Volume of business	¥2,118.8 billion	¥2,169.0 billion
Revenues	¥127.9 billion	¥143.3 billion	Revenues	¥356.2 billion	¥370.0 billion
Business Partners					
Expenses	¥95.3 billion	¥104.9 billion	Cost of sales	¥236.9 billion	—
Employees					
Personnel costs	¥42.3 billion	¥45.0 billion	Personnel costs	¥43.7 billion	—
Creditors					
Financing costs* ³	¥20.1 billion	¥23.1 billion	Interest expense arising from financial liabilities* ³	¥23.9 billion	—
Government					
Total income taxes	¥11.4 billion	¥10.8 billion	Total income taxes	¥10.6 billion	—
Shareholders/Investors					
Payout ratio	25.3%	28.6%	Payout ratio	29.1%	30%
Corporates					
Stockholders' equity ratio	12.4%	11.8%	Equity attributable to equity holders of the parent ratio	11.0%	—
Environmental, Social and Governance (ESG) Indicators			<div>*¹ Return on Equity, the ratio of Net income (Japan GAAP) [Profit attributable to equity holders of the parent (IFRS)] to Stockholders' equity (Japan GAAP) [Equity attributable to equity holders of the parent (IFRS)] . ROE is an indicator to assess efficiency in use of stockholders' equity, and profitability.</div> <div>*² Overhead Ratio, the ratio of costs in revenues, calculated as SG&A / (Revenues (Japan GAAP) [Gross profit (IFRS)] - Financing costs (Japan GAAP) [Interest expense arising from financial liabilities measured at amortized cost (IFRS)].</div> <div>*³ Mainly comprises interest payments to creditors. Measured at amortized cost in fiscal 2015 (IFRS).</div>		
E: CO ₂ emissions* ⁴	1,550t - CO ₂	1,466t - CO ₂			
S: No. of employees	5,280	5,397			
G: No. of directors* ⁵ (No. of external directors)	6 (3)	5 (3)			



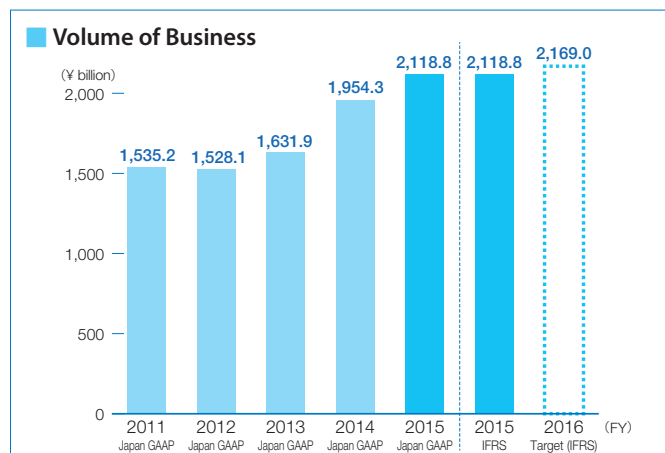
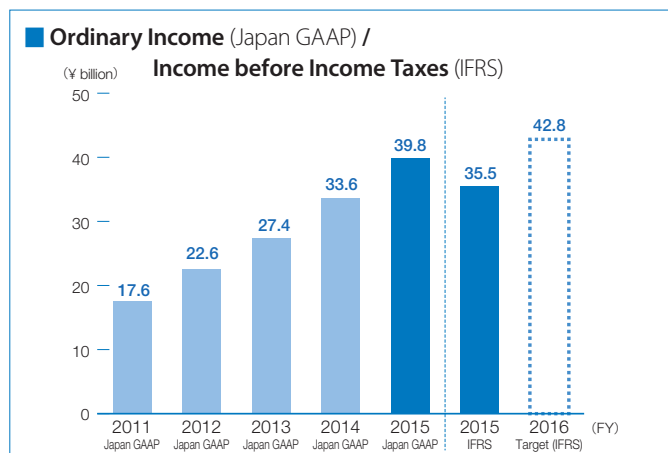
FY2017 – FY2019

Mid-Term Management Plan for Fiscal 2017-2019

FY2014 – FY2016

Mid-Term Management Plan for Fiscal 2014-2016
"Growth Stage"

FY2011 – FY2013

Mid-Term Management Plan for Fiscal 2011-2013
"Recovery Stage"

I Sustainable Growth

Hitachi Capital's Growth Strategies

— Fiscal 2014 – Fiscal 2016 Mid-Term Management Plan —

Hitachi Capital has positioned the Mid-Term Management Plan for fiscal 2014 through fiscal 2016 as the “the growth stage.” We are making the most of our real strengths that come from “locally-based solutions,” “diverse functions,” and “the Hitachi Group,” to evolve our business by implementing our growth strategy and enhancing our business base, with the aim of transforming into a high-profit enterprise for sustainable growth.

In Japan Business, we are taking a market-led approach (customer-oriented sales) to strengthen our response to market needs, and further transform our business model. In Global Business, we are making further advancements to our localized business model, combined with a new pillar for growth through collaboration with the Hitachi Group, to pursue true globalization.

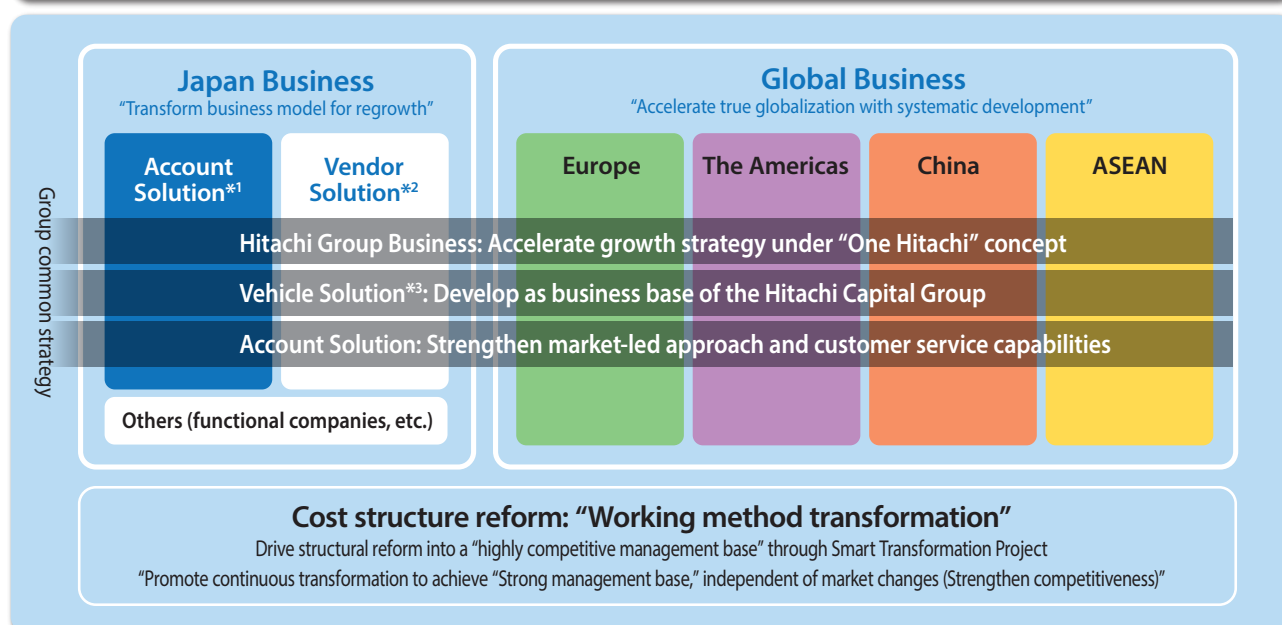


Transforming the Company into a “high-profit enterprise” for sustainable growth

Targets for the Final Year

Japan GAAP..... **Ordinary Income: ¥42.3 billion** **ROE: $\geq 8.5\%$** **Overhead Ratio (OHR): $< 63\%$**
(Revised upward from initial ¥34.0 billion) (Revised upward from initial 8%)

IFRS..... **Income before Income Taxes: ¥42.8 billion**



^{*1} Account Solution: A business model to meet various customers’ needs by combining our functions such as lease, insurance, and trust, and financial services in collaboration with the Hitachi Group

^{*2} Vendor Solution: A business model to work in cooperation with vendors for business equipment and information-related equipment to meet their needs for sales promotion through financial services including lease and installments

^{*3} Vehicle Solution: A business model to meet customer needs through comprehensive services related to automobiles



The Environment



Fair Operating Practices



Consumer Issues

Hitachi Capital, to achieve our business strategies including Mid-Term Management Plan, considers customers and business associates to be partners to resolve issues to realize a sustainable society and environment, and attain growth together. We adhere to “Basics” and “Ethics” in our management policies, and place top priority on rights and interests from the perspective of customers and business partners.

■ For the Customers

We are working to maintain our high-quality management organization and improve customer satisfaction, in order to provide reliable services and products that meet customer’s needs.

Quality Controlling

Headquarters of Hitachi Capital Corporation, Hitachi Capital (UK) PLC, and Hitachi Capital Vehicle Solutions Ltd. have acquired ISO (International Organization for Standardization) 9001:2008 certification, to maintain high-quality management structure on the basis of Quality Policy.

Hitachi Capital Quality Policy

【Basic Principle】

Hitachi Capital aims to satisfy its stakeholders by providing high-quality products and services supported by a quality management system.

【Action Guidelines】

1. We will set goals for improving the quality of our products and services.
2. We will reflect our stakeholders’ feedback and opinions in our products and services.
3. We will implement inspection of our products and services to maintain the quality.
4. We will correct and prevent nonconforming products and services.
5. We will continually improve our quality management system.

Enhancing Customer Satisfaction

We regard queries from customers as opportunities for ongoing improvement in our products and services, to improve customer confidence and satisfaction. We have implemented our “Inquiries/Complaints Handling Policy for Customer’s Satisfaction” and treat all queries fairly and honestly in a timely manner. All customer feedback in Japan received via telephone, letter, or the internet (6 records in fiscal 2015) is recorded in a database accessible to all employees. We have established

an organizational structure, which includes the company president, to respond to inquiries and complaints, such as determining the appropriate division and date for a response. In addition, Hitachi Capital Insurance Corporation has since fiscal 2010 disclosed the number and subject matter of feedback (complaints and requests) it has received from customers.

■ For Partners (suppliers and partner vendors)

We regard our suppliers as partners who work with us to provide our customers with robust solutions. We set purchasing rules to clarify the procedures for carrying out purchasing operations, while we work on internal purchasing operations*¹ and implementation of Corporate Ethics in those operations.

Basic Stance toward Purchasing

Hitachi Capital adheres to its Basic Policy for Management in all purchasing processes for goods and services, with the exception of stock goods (goods and services related to business transactions such as lease assets and maintenance). We proactively and rationally conduct purchasing activities with consideration to our management policies and the global environment, contributing to the realization of our management targets.

We always act with an awareness of costs, and recognize that business partners are also our stakeholders. We act with dignity, based on social justice and corporate ethics, in line with our management philosophies. We also prevent harm from “antisocial forces” (groups and individuals who pursue economic gain through dishonest competitive tendering, violence, force, and fraud).

Internal controls for purchasing operations

Hitachi Capital has established a “separation of powers” system as the checking function to prevent fraudulent activities in purchasing operations, with independent processes for purchasing requests*², orders (contracts)*³, and acceptance*⁴. We take steps to ensure that no single person has authority for more than two processes, helping to prevent fraudulent activity.

*¹ This means dividing responsibilities to prevent internal fraud or errors, as well as using internal resources and processes to identify any issues promptly.

*² An application to the department in charge of purchasing, to procure goods and services from outside the company

*³ The placement of an order with a supplier by the department in charge of purchasing, based on a purchasing request

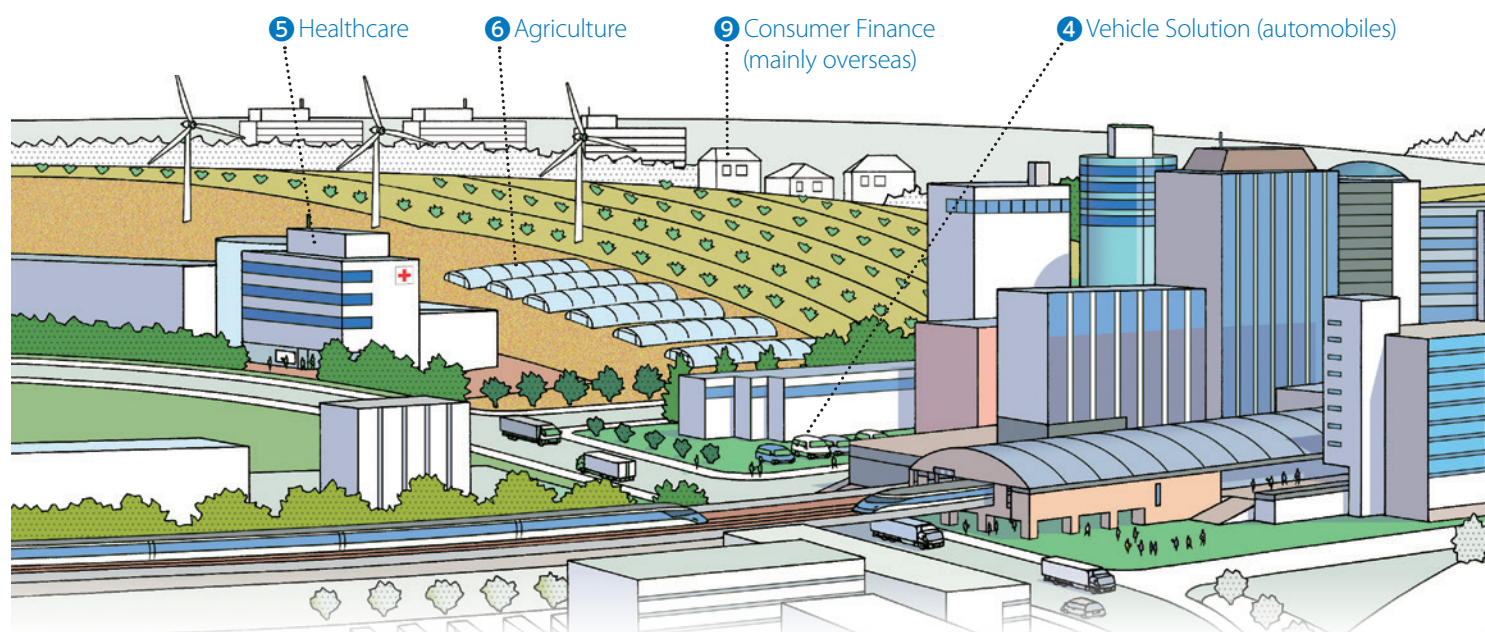
*⁴ The confirmation of the suitability of tangible and intangible deliverables (including services etc.), including receipt of cargo and inspection for receipt of goods

I Sustainable Growth

Hitachi Capital's Business Domain

The Hitachi Capital Group is part of the Hitachi Group led by Hitachi, Ltd. We provide a wide range of financial services and solutions to many types of customers in many various areas.

We are also able to combine various financial services including leasing, factoring^{*1}, payment and collection agency services, nonlife insurance, trust service, and business outsourcing, to meet customer needs and resolve issues providing services and solutions that extend beyond finance.



1 Social Infrastructure

Hitachi Capital supports renewal and redevelopment of Japan's public infrastructure built during the period of high economic growth, working in cooperation with partners for PFI^{*2} and PPP^{*3} schemes, as well as redevelopment projects for government offices and train station areas. As a manufacturer-affiliated financial service company, we provide services centered on our specialty in real estate lease, such as data centers and other types of IT infrastructure, and distribution centers.

VOICE | See PP.15 -16

2 Environment and Renewable Energy

See PP.31 -32

Hitachi Capital, collaborating with Hitachi Group companies for the development of a sustainable society, fully utilizes its solution services including financing, insurance, trust service, and business process outsourcing (BPO) to support eco-friendly solar power, wind power, biomass power generation, and energy conservation projects.

VOICE | "The energy industry has changed rapidly since the Great East Japan Earthquake, with liberalization of electric power and gas retail sales, and separation of the power generation and transmission. We combine the technologies of Hitachi Group companies with our financial solutions, working as a united corporate group to meet the needs of customers and society."

Manager, Environment Business Dept., Account Based Marketing Division, Corporate Sales & Marketing Group, Hitachi Capital Corporation **Kei Ishida**



3 Vendor Finance (office equipment)

Hitachi Capital partners with suppliers and vendors of office equipment to assist customers by providing solutions to support the entire product lifecycle, from sales and maintenance services for end users to marketing.

VOICE | "We meet financial needs such as precise, rapid screening, and prompt payment, while also introducing customers that with expired contracts and sharing information on end user needs, and expanding lineups useful for suppliers and vendors."

Division Manager, Tokyo Metropolitan Sales Division, Hitachi Capital NBL Corporation **Kenji Manabe**



4 Vehicle Solution^{*4} (automobiles)

Hitachi Capital provides financial services including auto leases and loans, and inventory finance^{*5} for automobiles, as well as nursing care vehicles, industrial equipment, and construction machinery. We also offer high-quality services and solutions beyond the scope of finance, including insurance and maintenance, driver training and other types of technical support related to vehicle management, and services to address environmental issues.

VOICE | See PP. 17-18

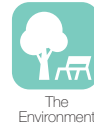
5 Healthcare

Hitachi Capital utilizes its strength as a manufacturer-affiliated leasing company to provide financial services for medical equipment, as well as cost solutions such as energy efficient surgical equipment management systems. We also offer a one-stop service for seniors to address their concerns.

VOICE | "Based on social trends, along with addressing the issues manifested as the needs of the medical practitioners and users who are our customers, it is essential that we maintain close communication and establish hypotheses for hidden issues as well, and provide proposals leading to a resolution."

Healthcare Service Business Promotion Dept., Life Solution Business Division, Corporate Sales & Marketing Group, Hitachi Capital Corporation **Masakazu Omiya**





The Environment



Fair Operating Practices



Consumer Issues

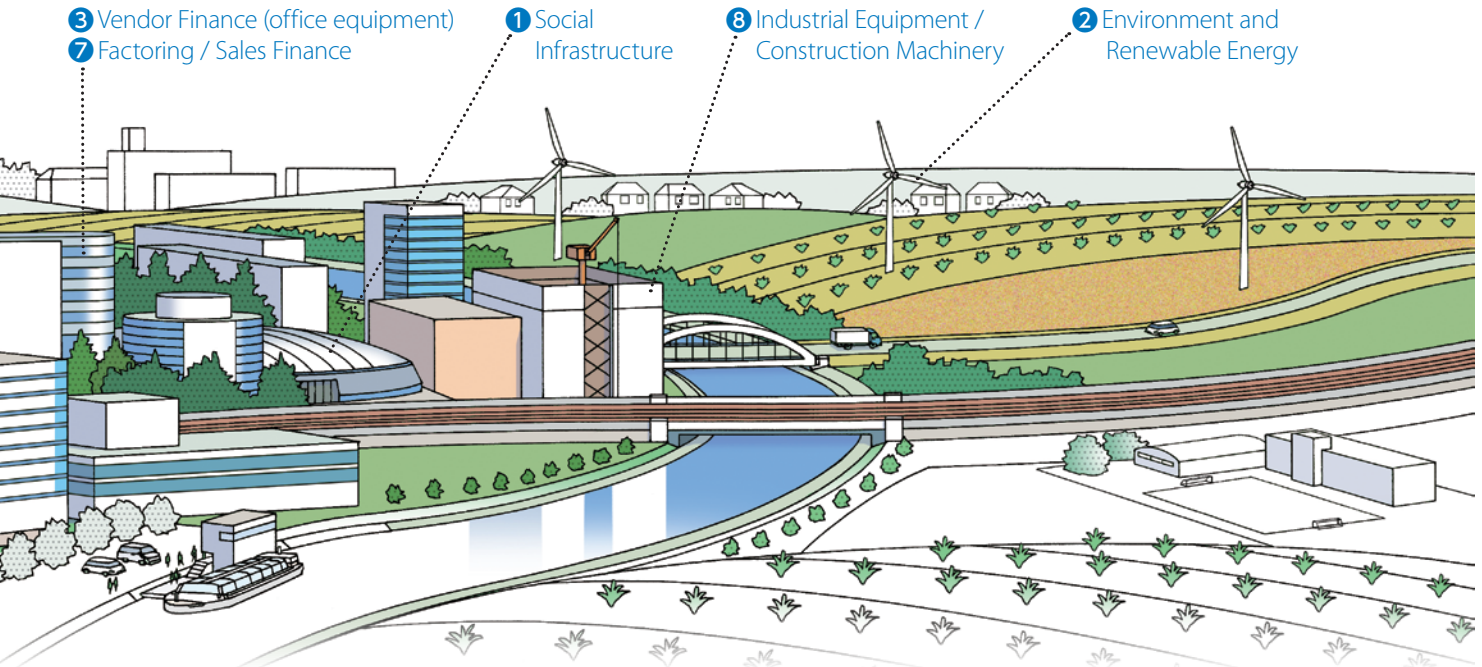


Community Involvement and Development

I Sustainable Growth

II Respect for Human Dignity

III Implementation of Corporate Ethics



6 Agriculture

Hitachi Capital provides financing to support agricultural production, distribution, processing, and sales, while helping to promote agricultural solutions such as the introduction of energy-efficient agricultural machinery, and utilization of IT.

VOICE | "We have established a relationship of trust with producers, and I am proud to support an industry as essential to life as food."

*Smart Solution Group Leader, Agri-Solution Development Dept., Life Solution Business Division,
Corporate Sales & Marketing Group, Hitachi Capital Corporation* **Shouichi Baba**



7 Factoring / Sales Finance

Hitachi Capital supports cash flow improvements by introducing electronically recorded monetary claims in Japan, offering factoring service and sales finance globally, through collaboration with the Hitachi Group.

VOICE | "We work to meet each customer's needs from an optimal perspective throughout the value chain, while focusing on risk reduction and business stability."

*Sales Group Leader, Factoring Service Section, Hitachi Group Business Dept., Account Based Marketing Division,
Corporate Sales & Marketing Group, Hitachi Capital Corporation* **Kouki Sato**



8 Industrial Equipment / Construction Machinery

Hitachi Capital provides leasing and finance for industrial equipment and construction machinery related to factory infrastructure, including IT, in Japan and overseas. We also offer a wide range of solutions including energy efficiency in factories, and solar power systems to utilize idle lands.

VOICE | "Rather than just responding to each request, we strive to understand the true issues and needs of customers, and offer a broad range of solutions encompassing equipment leasing, IT, and energy."

Industrial Sales Dept. I, Corporate Business Division, Corporate Sales & Marketing Group, Hitachi Capital Corporation **Daisuke Oomura**



9 Consumer Finance (mainly overseas)

Hitachi Capital provides consumer finance in overseas, mainly Europe. In the U.K. we partner with reliable retailers. We also offer financial services online (<http://www.hitachipersonalfinance.co.uk>).

VOICE | "Recognising the customers as individuals, not just stats on a database. We want to provide a competitive, easy to execute product, backed by excellent customer service, with loyalty and repeat purchase, something traditional lenders had failed to do."

Marketing Manager, Consumer Finance Division, Hitachi Capital (UK) PLC **Theresa Lindsay**



*1 Financing involving the purchase and collection of accounts receivable held by others, such as invoice discounting (service to liquidate accounts receivable including unpaid invoices)

*2 PFI (Private Finance Initiative): Utilization of private sector capital, management and technical capabilities for the construction, maintenance, or operation of public facilities

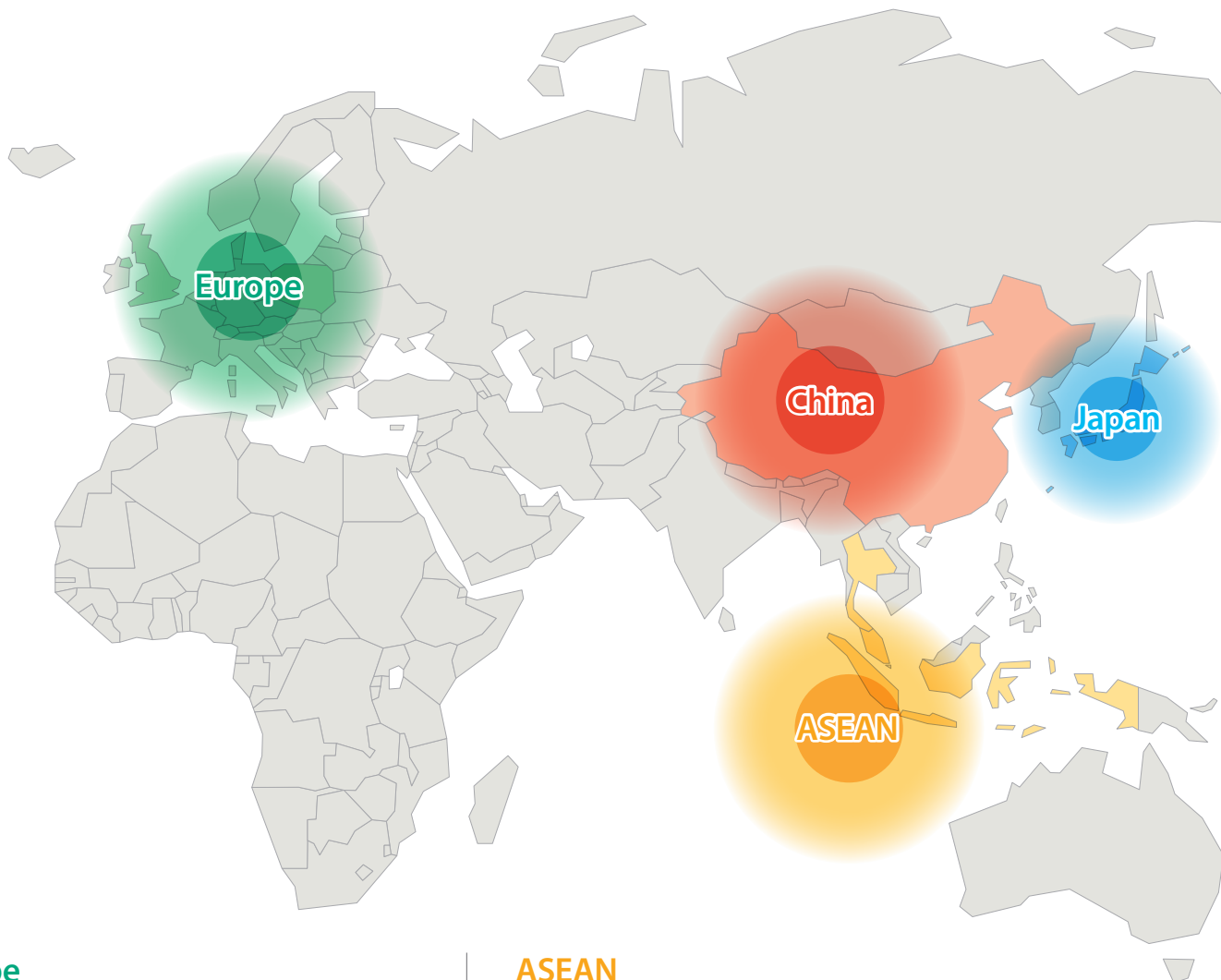
*3 PPP (Public Private Partnership): Project conducted in partnership between government and the private sector. PPP differs from PFI in that the private enterprise participates from the planning stages of the government policy, as opposed to the government providing financial support.

*4 Vehicle Solution: A business model to meet customer needs by providing comprehensive services related to automobiles

*5 Loaning of operating capital for the necessary constant rate of inventory to sustain business operations

Hitachi Capital's Globalization

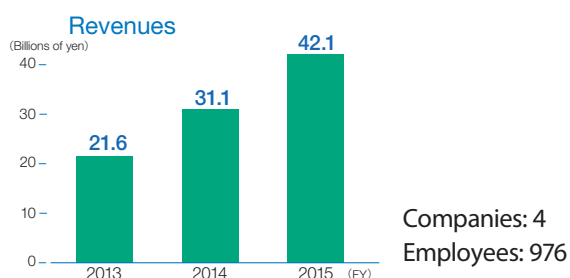
Hitachi Capital operates in four key management areas outside of Japan, Europe, the Americas, China, and ASEAN, where we use local employees to help provide thorough locally-based solutions. We develop optimum solutions tailored to local needs and market environment. These solutions contribute to the growth of our customers and of communities.



Europe

In the U.K., we weathered a harsh business environment after the collapse of Lehman Brothers in 2008 by continuing to provide customer-oriented solutions, delivering high-quality services as a financial services company.

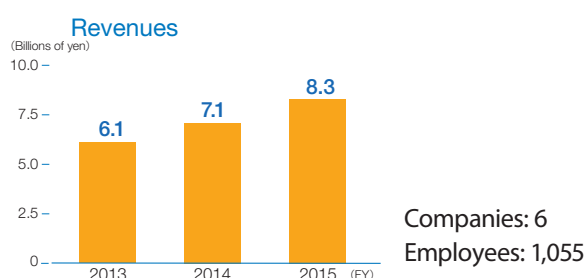
In fiscal 2015, we acquired Corpo Flota Sp. z o.o. in Poland, to strengthen our vehicle solutions, and are expanding sales finance program outside the U.K. and throughout Europe in partnership with the Hitachi Group and major European financial institutions.



ASEAN

In ASEAN, we are active in Singapore, Thailand, Malaysia, and Indonesia, developing corporate finance for information equipment, automobiles, industrial machinery, commercial facilities, and medical equipment, as well as products such as truck finance.

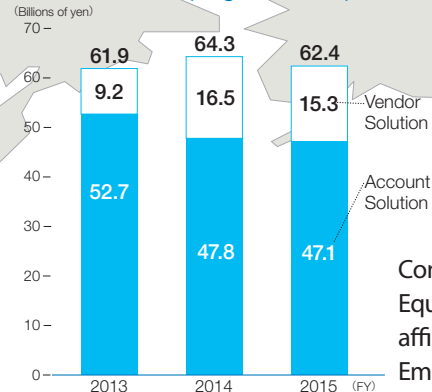
In April 2014, we founded Regional Headquarters of Asia-Pacific. In Malaysia, we opened Johor Bahru branch, and in April 2015 concluded a business alliance with a local leasing company in India. In addition, we are strengthening our sales structure for the local subsidiaries of Japanese-affiliated companies.



Japan

We are shifting our business model from the conventional business areas of lease and installments, to six focused sectors which provide optimal solutions with market-led approach.

Revenues (Segment total)



Companies: 15
Equity method affiliate: 1
Employees: 2,958

* Business segments have been reclassified from fiscal 2015 into two segments, "Account Solution", which provide financial services to meet the needs of diversified customers (accounts), and "Vendor Solution", which provide financial services to meet the needs of partner vendors in areas such as sales promotions.

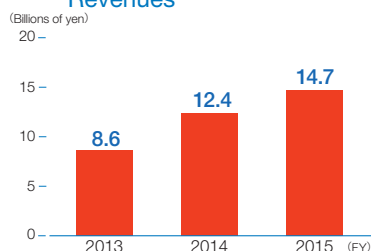
Mid-term Business Targets and Results for the Six Focused Sectors in the Japan Business

	FY2014	FY2015	FY2016 Targets
Social Infrastructure	FY2014-FY2016 volume of business (accumulated): ¥96.1 billion	FY2014-FY2016 volume of business (accumulated): ¥201.1 billion	FY2014-FY2016 volume of business (accumulated): ¥220.0 billion
Environment and Renewable Energy	FY2014-FY2016 amount of power generation (accumulated): 196MW	FY2014-FY2016 amount of power generation (accumulated): 255MW	FY2014-FY2016 amount of power generation (accumulated): 350MW
Vendor Finance	Volume of business: ¥128.3 billion	Volume of business: ¥131.4 billion	Volume of business: ¥150.0 billion
Auto Leasing	Number of vehicles: 90 thousand	Number of vehicles: 93 thousand	Number of vehicles: 100 thousand
Healthcare	Volume of business: ¥44.6 billion	Volume of business: ¥31.7 billion	Volume of business: ¥50.0 billion
Agriculture	Volume of business: ¥45.9 billion	Volume of business: ¥33.7 billion	Volume of business: ¥50.0 billion

China See PP.17 -18

We are developing finance for information equipment, industrial equipment, commercial facility and other goods for corporates, consumer auto loans in Hong Kong, and leasing of medical equipment, information equipment, and industrial equipment in the mainland China. In future, we will strengthen sales finance for corporates, centering on the Hitachi Group, and in public projects such as education. We will also be stepping up our factoring service, built around Hitachi Capital Factoring (China) Co., Ltd. established in Shanghai in August 2013.

Revenues



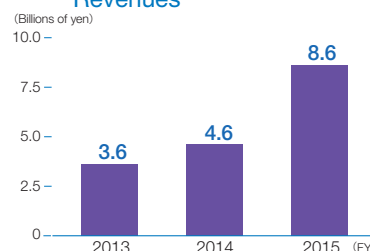
Companies: 3
Employees: 231

The Americas

In the Americas, we are developing leasing, loan, and inventory finance services for trucks, information communication equipment, industrial equipment, medical equipment, and factoring. In future, we will reinforce our collaboration with the Hitachi Group in areas such as energy-saving solutions. In Canada, we acquired CLE Canadian Leasing Enterprises Ltd. in May 2014, to accelerate our vehicle solution business.

Note: Revenues of CLE Canadian Leasing Enterprises Ltd.: approx. C\$25 million (approx. ¥2.2 billion) (FY ended October 2013).

Revenues



Companies: 6
Employees: 177



The Environment



Fair Operating Practices



Consumer Issues



Community Involvement and Development

I Sustainable Growth

II Respect for Human Dignity

III Implementation of Corporate Ethics

I Sustainable Growth

Special Feature 1 Social Infrastructure Business

—Renewing and upgrading social infrastructure through “diverse functions” and “collaboration with customers”—

New construction of social infrastructure has declined in Japan, while the aging of existing infrastructure has become a serious concern. Many roads, water and sewage systems, bridges, and schools were built during the period of high economic growth in the 1960s. Much of this infrastructure was designed to last 50 years, and now needs to be rebuilt. Maintenance and renovation costs are expanding amid tight government finances, and it is essential that the social infrastructure to be built in the future be adapted to meet such issues as the aging society with declining birthrate and energy problems, while also lowering renovation and maintenance costs.

Social Issue

Current Status and Estimates for Maintenance and Renovation Costs for Public Facilities

Source: Ministry of Land, Infrastructure, Transport and Tourism, “WHITE PAPER ON LAND, INFRASTRUCTURE, TRANSPORT AND TOURISM IN JAPAN, 2014”, P.35



Conceptual drawing of the city athletic center for Kawanishi City in Hyogo Prefecture, to be opened in 2016. The facility will be built and operated by Kawanishi City Sports and Wellness Co., Ltd., a SPC* jointly established through a consortium of four companies, including MIZUNO Corporation and Hitachi Capital.



Coconeri is a multipurpose facility combining local government offices, commercial facilities, and a rehabilitation hospital, selected from among 469 submissions to serve as a “starting point for people moving to the ward,” and a “hub for exchange, economic activity, rehabilitation, childcare and raising.”



Fair Operating Practices



Consumer Issues



Community Involvement and Development

I Sustainable Growth

II Respect for Human Dignity

III Implementation of Corporate Ethics

“Diverse functions” and “Collaboration with customers” to support future social infrastructure

Hitachi Capital is actively addressing the issues surrounding social infrastructure, one of the six focused sectors in our Mid-Term Management Plan for fiscal 2014 through fiscal 2016, but utilizing the management expertise and technology knowledge we have accumulated as a manufacturer-based financial service company to curb renewal and maintenance costs while ensuring quality.

We provide support to local governments for redevelopment of government buildings, civic centers, and traffic station areas, as well as collaborate with customers to offer more sophisticated PFI*² and PPP*³ services.

Completion of a central multipurpose facility to meet future community needs

In September 2010, Nerima Ward, Tokyo began seeking a business company with the aim of collaborating with the private sector for effective utilization of property it held. The Hitachi Capital Group approached the project with the aim of spurring activity and generating vitality by creating a central hub for Nerima, with a basic policy of “vitalize the entire Nerima Ward through relaxation, exchange, and activity,” “promote industry within the ward and vitalize the economy,” and “improve lifestyles,” and made a proposal for a facility combining ward facilities, commercial facilities, and Nerima’s first rehabilitation hospital. Our proposal was accepted and work began in 2012, concluding on April 11, 2014, with the opening of Coconeri, a multipurpose facility integrating public and private sector facilities built on ward-owned property.

In consideration of the fixed-term leasehold and future liquidation of public assets, we adopted a method of sectional ownership by floor to clarify and simplify the areas occupied. This aspect was highly praised as a model for future utilization of public land, winning Hitachi Capital the Director’s Prize at the 2014 Land Use Model Awards (sponsored by the Institute for Future Urban Development), and recognition as an

“Award for excellence” at the Energy-Efficient Lighting Design Awards 2014.

Participation in a partnership for the construction and operation of a city athletic facility to meet needs for more advanced services

Hitachi Capital formed a consortium in collaboration with partner companies for the construction and operation of a city athletic center for Kawanishi City in Hyogo Prefecture, part of a proactive PFI scheme. We submitted a bid in fiscal 2015, and were selected as the preferred partner. The consortium was led by MIZUNO Corporation, which has experience in manufacturing and construction of sports facilities, and as of fiscal 2016 held 140 contracts for the operation of 722 facilities throughout Japan. The Hitachi Capital Group provided its experience with FA*⁴ operations, and handled mediation of the financing and investment. MIZUNO praised Hitachi Capital as a partner, stating that *“We have no experience leading a PFI scheme, so an important aspect for us was not only Hitachi Capital’s track record and wealth of experience with PFI projects as a company, but the individual experience and reliability of our partner project manager. Also, since this project will run for 20 years, we placed emphasis on stable business operations in deciding to partner with the Hitachi Capital Group.”* For Hitachi Capital, this partnership allowed us to offer a high added value public service through the addition of a martial art gym, multipurpose gymnasium, and a workout room. Going forward, we will expand our solution business by offering diverse financial services to address social issues over the longer term.

*1 Special Purpose Company, a company established for capital procurement

*2 Private Finance Initiative, a financing method utilizing private sector capital, management expertise, and technical capabilities for the construction, maintenance, and operation of public facilities. Japanese regulations regarding PFI have been relaxed since 2000s, opening opportunities for private sector companies to manage public facilities, a position previously limited to public organizations.

*3 Public-Private Partnership, a method to enhance public services by building social infrastructure utilizing the capital and know-how of private enterprises in favor of smaller government, under a policy of entrusting the private sector with those responsibilities they can handle

*4 Financial Advisor, persons who provide advice regarding financial issues

VOICE | Contributing to the Resolution of Future Social Issues through Business Projects

“We are working to develop facilities for community activity and relaxation, and in partnership with local governments and shopping districts, to support events that vitalize communities and increase traffic to shopping districts, and further bolster the region.”



Managing Director, Hitachi Capital Community Corporation
Takeshi Ara

“Our success was due to building a relationship from the ground up, starting with efforts to listen as everyone shared their needs and objectives, then creating a proposal and establishing the SPC. Going forward, we will provide social infrastructure to meet future needs.”



Corporate Account Team Manager, Account Based Marketing Division, Corporate Sales & Marketing Group, Hitachi Capital Corporation
Gen Takayama

“We are partnering with Hitachi Capital to build facilities by utilizing both PFI, and shorter term PPP leases, in order to promote sports, enhance health in an aging society, and better meet other social needs.”



Senior Manager, Sports Facilities & Service Sales Department, MIZUNO Corporation / President, Kawanishi City Sports and Wellness Co., Ltd.
Mr. Ryo Kitashimizu

Special Feature 2 Global Business Development Consistent with Local Needs —Four Decades in Hong Kong—

Japanese companies are expanding their business in overseas to achieve continuous growth. However, compared to the manufacturing industry, which has aggressively expanded, overseas expansion in the non-manufacturing industry has been limited owing to the differences in laws, regulations, and business customs.

Social Circumstances

Overseas Expansion of Japan's Non-manufacturing Industry

Source: Annual "Survey of Overseas Business Activities" from the Ministry of Economy, Trade and Industry, Japan



A total of 108 employees (approx. 90%) participated in a 3-day 40th anniversary commemorative trip to Taipei



Hitachi Capital (Hong Kong) Ltd. celebrated the 40th anniversary



Labour Practices



Fair Operating Practices



Consumer Issues



Community Involvement and Development

Forty Years of Overseas Expansion Founded on a “Frontier Spirit” and “Locally-based Business”

Hitachi Credit (Hong Kong) Ltd. (currently Hitachi Capital (Hong Kong) Ltd.) was established in 1975, immediately following the restoration of diplomatic ties between Japan and China. Initially the company's main business was installment sales of Hitachi appliances, and the business scope gradually expanded. From this first step in Hong Kong, the Hitachi Capital Group was a pioneer in developing a locally-oriented business overseas to satisfy customer needs.

Competitive Services Responsive to the Needs of Customers and Affiliated Dealers

The Hong Kong business developed and expanded in line with economic growth and evolving customer needs, including financing for automobiles, information equipment, industrial equipment, construction machinery, medical equipment, and ships. Vendor finance^{*1} for automobiles is currently one of our main businesses in Hong Kong.

Over 11 years in this business, we have responded to the needs and requests from customers and business partners, working in collaboration with affiliated dealers to provide a flexible and speedy service. In fiscal 2015 we handled contracts for approx. 37,000 vehicles, gaining the top share in Hong Kong's used car financing market. We have also formed tie-ups with new car dealers since 2010, further enhancing our reputation. The limited choice of customer financial services is a problem in Hong Kong's automobile finance market. As a provider of automotive financing centered on vendor finance, Hitachi Capital (Hong Kong) offers affiliated dealers tailor-made financial service menu that support their sales promotion. We will continue to build on this strength to grow further.

On-the-Job Training and Education to Satisfy Frontline Needs and Foster Competitive Teams

Hitachi Capital (Hong Kong) places emphasis on recruitment and training, and has established applicable guidelines in its human resource policy to strengthen and develop its workforce. We have policies for human resources, training, and recruitment that are unique in the region. Our human resources administration division, in accordance with the direction set by top management and to meet the needs of business divisions, works to provide planning and solutions such as training and education support programs, setting the policy direction for personnel development and serving to tie together the activities and approach of the various divisions.

The sales division in particular is a bridge to customers, and the recruitment and training of sales personnel has a considerable impact on future business growth in terms of fostering teamwork and the corporate culture. Accordingly, we provide ongoing on-the-job training, as well as support for teambuilding and other measures to strengthen teamwork. In terms of compliance, we provide program comprises education by the internal quality assurance division, along with trainings utilizing a curriculum from external specialized agencies.

Through these efforts Hitachi Capital (Hong Kong) provides various educational and personnel systems tailored to the regional characteristics of Hong Kong, enhancing trust in the company and its image, while encouraging dynamic new people to join. In addition, to provide for the type of results-oriented approach system highly needed in sales, we are considering performance-based evaluation and compensation systems developed based on the experiences and case studies of other group companies.

*1 Vendor finance is a sales finance service that provides for lease and installment contracts with manufacturers or associated vendors, and promotes product sales. It also reduces end users' financial burden such as maintenance fee and allows assets to be derecognized from the balance sheets.

VOICE | Satisfying the True Needs of Stakeholders

As a customer-oriented company, we have to explore the needs of our customers even though they are not yet aware. We need to put away the existing practice and find out the solution innovatively. Although it is not easy and sometimes the solution

may not be accepted by customers. Customers will realize that we think and care about them and we are partners in the future by proposing significant and reputable solution.



Senior Manager,
Hitachi Capital (Hong Kong) Ltd.
Jason KinFan Siu

I propose that the HR policy of Hitachi Capital (Hong Kong) Ltd. inclusive of recruitment, training and salary administration be keeping pace and to adjust with the local labour and business / trade market, so we will maintain competitive. Also to cope with Global HR project, we are preparing Hitachi Global Grading (HGG) & Global Performance Management (GPM) to match with their requirement against HR management.



Senior Manager, HR & Admin. Division,
Hitachi Capital (Hong Kong) Ltd.
Joyce ChoiFong Chan

II Respect for Human Dignity

For Employees and Their Families

To achieve “Respect for Human Dignity”, which is one of our Management Philosophy, we regard our employees as important management assets, and we work to provide them with better opportunities. This will enable each individual employee to work as an independent and valuable human resource, respect others, think and act from others people’s perspective, work and live in harmony both inside and outside of the workplace.

Activities for Human Rights

As a member of the Hitachi Group, Hitachi Capital Group follows the Hitachi Group human rights policy, implemented in May 2013, and regards the human rights stated in the “International Bill of Human Rights” and the “ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work”, as the absolute minimum level which must not be violated. We respond to its negative impact (as human rights due diligence) and aim to fulfill our responsibility to respect the human rights of all people involved in our business activities and services.

Web Hitachi Group Human Rights Policy

http://www.hitachi.com/csr/renew/pdf/human_rights_policy.pdf

Working Environment Policy

We develop Human resource systems and rules for employment and labor on the basis of the “Working Environment policy”.

Working Environment Policy

【Basic Principle】

Hitachi Capital respects the diversity, personality, and individuality of its employees, and secures a safe and pleasant working environment providing comfort and fulfillment to our employees.

【Action Guidelines】

1. We will not allow sexual or power harassment or any other illegal behaviors.
2. We will place priority on providing a safe and healthy working environment.
3. We will support each employee to be able to feel that their role is both satisfying and rewarding.
4. We will provide good working conditions to enable an appropriate work-life balance for all employees.

Communication Between Management and Employees

Starting in May 2014, Hitachi Capital Group ran its “Communication Roadshow” around offices in Japan and overseas, to provide a forum for communication between top management, including the president, and employees.

The purpose of this Communication Roadshow is to improve mutual understanding through direct communication aimed at strengthening com-

petitiveness within the industry.

The Roadshow includes seminars with 90-minute two-way discussions in addition to the lectures. So far, more than 1,000 people have participated in about 30 seminars. We also hold sales strategy meetings about business plans and challenges for the fiscal year, as an opportunity to share top-down information.

Employee representative round-table meetings and ES (Employee Satisfaction) promotion committee meetings are regular events that serve as opportunities for employees to share issues with management, adding bottom-up information.

We use the annual global Hitachi Group employee survey as the basis to understand the companies and organizations, and know their problems, as we work to revise systems, policies and organizational structures.

Human Resources Summit (meeting of global Human Resource department managers)

Human Resource department managers at group companies in Japan and overseas participated in the Human Resources Summit we organized during fiscal 2015. There, they shared information on human resource strategies and activity policies for the entire Group, as it works to promote global business. They also examined how human resource departments can contribute to business promotion in the various countries.



Human Resources Summit discussions

Supporting Our Diverse Employees for Their Success

Our Group regards making the most of the abilities of our individual staff as a key to innovation, regardless of gender, nationality, age, employment history, and disabilities. We have set internal rules accordingly to



support our diverse employees for their success.

In Japan, we are keen on employing senior workers, who can work according to their enthusiasm and ability regardless of age, as well as female and foreign new graduates, and persons with disabilities. We also provide training in human rights, and ask employees and their family to think of human rights slogans.

We have introduced a flexible working structure and provide a childcare and a nursing care leave system exceeding legal requirements. This allows us to use an individuals' ability to the full, even as they make lifecycle changes.

To meet the needs of each region and country, we adopt different Human Resource systems.

In Japanese and overseas group companies, we have a special leave system that gives employees five days of additional paid leave when they complete 10, 15, 20, 25, and 30 full years of employment. This is one of the measures we implement to encourage employee retention.

Employee Numbers at each region in Hitachi Capital Group in Fiscal 2015

Category	Japan	Europe	Americas	China	ASEAN etc.	Total
Employed staff*	2,958	976	177	231	1,055	5,397
Male	2,228	476	93	113	740	3,650
Female	730	500	84	118	315	1,747
No. of temporary staffs	855	111	20	13	0	999

* The number of employed staff excludes those seconded outside the Group from within it, and includes those seconded into the Group from outside, as well as contract employees.

Numbers of management posts in Hitachi Capital Group in Fiscal 2015

Category	Japan	Europe	Americas	China	ASEAN
No. of management posts	781	281	42	27	119
Male	736	204	30	20	89
Female	45	77	12	7	30

Employment of challenged people by Hitachi Capital Corporation

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Number of relevant people (employment rate)	42 (2.05%)	42 (2.22%)	38 (2.18%)	39 (2.26%)

VOICE

The project I was assigned ended when our newborn baby was about one month old. That's when I took a 2-week childcare leave, with advice and support from my manager and workplace. Although I was home all the time only for a while, I quickly realized how hard it is to look after a child who demands a lot and often cries at night, while also keeping up with the housework as well. Before the leave I tended to place my priorities on work, rather than family. However, now I see it's important to spend quality time with them too, so that I can concentrate effectively while I'm at work.

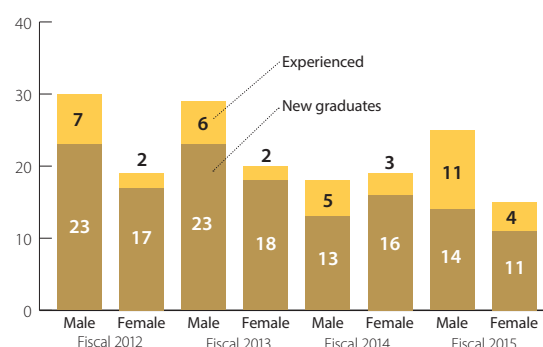


Settlement Solutions Group, BPO Business Promotion Office,
Service Business Division, Hitachi Capital Corporation

Junichi Ichikawa



Trends in New Graduate and Experienced in Hitachi Capital Corporation



Number of employees of foreign nationality among those hired by Hitachi Capital Corporation (as of March 2015)

	Male	Female	Total
New graduates	2	5	7
Experienced	0	0	0
Total	2	5	7

Employment conditions

System	Summary
Flexible labor systems	Times to report for work can be moved earlier or later by 30 minutes, between the hours of 7:00 to 11:00
Reduced-hours working system	Employees are allowed to shorten their working hours by up to one hour and 45 minutes. To qualify, they must be raising a child up to elementary school age, as a general rule, or up to third grade in special circumstances, be nursing a family, be pregnant, or within one year after giving birth.
Paid leave system in half-day units	System for taking paid leave for half-days
Mobile working system	In this work pattern, employees go directly from home to their sales area, and go directly home after work.

Leave system

System	Summary	Legal
Leave before and after birth	8 weeks before birth 8 weeks after birth	6 weeks before birth 8 weeks after birth
Spouse childbirth leave	Yes (5 days, paid)	No
Childcare raising leave period	Up to 2 years and 6 months	Up to 1 years and 6 months
Nursing care leave	1 year	93 days total per person

II Respect for Human Dignity

For Employees and Their Families

■ Trends in numbers of employees taking pre/post birth leave, childcare raising leave, and nursing care leave and rates of return to work in Hitachi Capital Group (Japan)

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Number of employees taking childbirth leave	9	16	9	27
Number of employees taking childcare raising leave*	8 (0)	16 (0)	9 (0)	28 (1)
Rate of return to work after childcare raising leave	83.3 %	100 %	100 %	93.3 %
Nursing care	1	0	0	2

* Figures in () are male employees who passed qualifications

Career development system / Employee assessment system

Efficient management of the company and motivating staff internally is important to the company. Therefore Hitachi Capital has established career development and assessment systems, which enables employees to assess their performance in order to develop their careers and also enable the company to appoint the right employees into the most suitable positions.

Staff Recruitment

Staff recruitment system which allows employees to apply for any position they wish to is available. A department that wants to recruit people from within the business, has to submit a recruitment request form to the Human Resources department. After the application is inspected, it is advertised internally. The screening process involves reviewing the application documents (1st stage) followed by an interview (2nd stage) which leads to a decision on whether the application was successful.

Internal FA (Free Agent) System

If the applicant matches the needs of the intended department, the employee is reassigned to that department. Once a year (in November to December), the Hitachi Capital Group in Japan allows Group employees who meet the requirement of serving at least five years in the company by 1 October, to apply to the department they want.

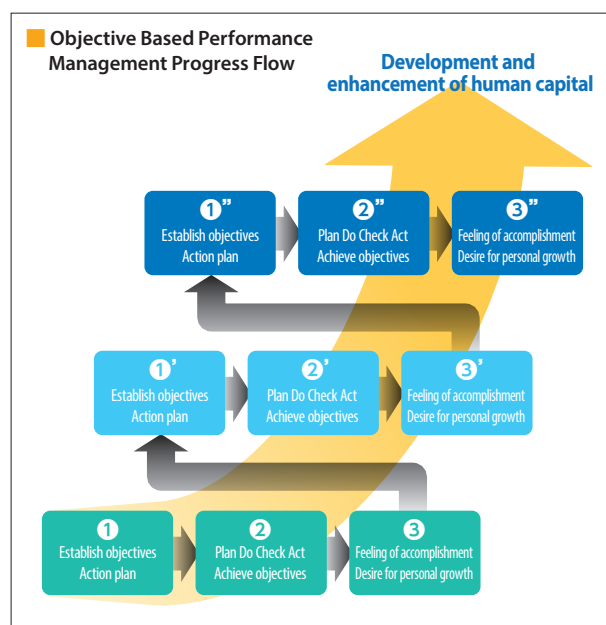
Assessment System

In order to provide employees with structured support for further education and career development, we introduced an assessment system for objective based performance management.

It allows employees to set their own goals for career development (Plan), implement the plan (Do), and create a performance review structure supported

by an objective management policy. All employees review their performance with line managers half-yearly (Check).

Objectives are set somewhat on the high side, but not too difficult. In the process of setting challenging objectives and working towards achieving them, employees gain self-confidence through the experience of trial and error at the same time as gaining successful experience as well as a sense of accomplishment. This in turn raises their ambition for further growth. By doing this we aim to maximize the synergy between employees and the sustainable growth of the company.



Education and Training Systems

We provide our employees with education and training programs to suit their skills and job levels (branch managers, newly-appointed managers, assistant managers, etc.) and expertise (sales, management, personnel, etc.), in addition to having an incentive scheme for gaining qualifications. They gain a high level and specialized knowledge of administration and management, so that

Education and training systems

Scope of the System	Contents of Education
New employees	Distance education before joining the company, induction programme on joining the company, follow-up, OJT, and mentor system
Education at each grade and in each specialty	Group training, e-learning, distance education, overseas training, external training including post-graduate studies, etc.
All employees	Incentive scheme for the acquisition of skill qualifications e-learning (including Hitachi Group learning materials)



they are ready to advance into Senior Management.

Unique training was provided to make sure everyone could join in, regardless of their working hours or form of employment.

We organize seminars provide opportunities for cross-department and cross-company employee exchange other than work hours, and for self-development. In addition to voluntary morning and evening activity courses, we also organize seminars run by outside professionals who have successfully faced challenges in their respective fields. A wide range of employees are eligible to participate in the seminars, including those who are on reduced work hours and others who are temporarily employed. Taking advantage of relocation of the headquarters and group company offices, since September 2014 many employees have been using teleconferencing to participate from other areas of Japan.

Health and Safety in the work place

A workplace must be a safe and secure place if each and every person in it is to be able to work in a lively way. Hitachi Capital Corporation holds monthly meetings of the Health Committee and the Health Promotion Committee (depending on business unit size), an industrial doctor and "Workplace environment supervisor" conduct workplace inspections, informa-

tion on workplace accidents is shared throughout our companies in Japan whenever an accident occurs, and we issue monthly reports with statistical indicators indicating employee work time, to prevent overwork.

With particular attention to mental health measures, our Employee Assistance Program (EAP) provides an external counseling service (free for up to ten counseling sessions), career counseling, mental health training, regular consultations with people on leave, and sharing of information through monthly meetings of the health and safety committee. These measures are a companywide effort to prevent mental health problems, and their recurrence.

Working method transformation

We've initiated cost structure reform targeting a transformation into a "high-profit enterprise," and are now moving forward with "working method transformation." These steps are part of our Smart Transformation Project to establish a "highly competitive management base," as called for in our Mid-Term Management Plan for Fiscal 2014-2016.

Taking advantage of the September 2014 relocation of the headquarters and group company offices in the Tokyo area, we increased the efficiency of our operations by upgrading business processes and moving to paperless operations. In our new offices, we introduced the use of mobile phones and notebook computers, changed from fixed island-type seating arrangements to a universal layout, and established "revitalization area." These initiatives encourage greater efficiency and more dynamic communication.

Occupational health and safety performance of Hitachi Capital Corporation results

	Fiscal 2013	Fiscal 2014	Fiscal 2015
Rate of work-place accidents*	0.00	0.00	0.00

* Number of absence from work due to work-place accidents / Total working hours x 1 million hours

Fiscal 2015 cost structure reforms

New directions	Initiatives
Working method transformation	<ul style="list-style-type: none"> Relocation of the headquarters and group company offices in the Tokyo area Pursuit of greater efficiencies through paperless operations Reform of business operation processes Integration of sales department operations to generate more time for sales

VOICE

When our headquarters relocated we were all motivated to try out new initiatives within the company. One of these was to change the direction of special focus training and rank-based education programs regulated by managers and the company, to develop new activities for employees to participate in, in their own way. We are offering a wide variety of activities by trial and error, such as morning and evening activity courses. I'm finding it hard to choose lecturers and learning themes, and to coordinate everything, but from the attitude of participating employees it seems that the activities are worthwhile. We're planning even more appealing activities to attract greater employee participation.



Education Department, Human Capital Division,
Hitachi Capital Corporation

Junko Kanazawa

II Respect for Human Dignity

For Local Communities

“Respect for Human Dignity”, which is one of our Management Philosophies, remains a basic philosophy in community and social contribution. As a company which gathers together employees able to act for themselves while seeing the perspectives of others, and able to contribute to society, we pursue social contribution activities.

Basic Approach

The approach of “Respect for Human Dignity”, which is one of our Management Philosophies, is linked to our basic philosophy of social contribution activity. When independent employees voluntarily participate in voluntary activities, they achieve personal growth by discovering their own social skills and autonomy and the diverse values of others. We believe this process helps to make more people happy and supports the sustainable growth of the company.

Japan

Participation in Local Eco Events

In September 2014, Hitachi Capital Corporation and Hitachi, Ltd. participated in Eco Carnival '14 in Shibata, which was held in the Aeon Mall Shibata in Shibata City, Niigata Prefecture. The carnival is held every year organized by Shibata City and Tainai City in that prefecture, providing an opportunity for government offices, schools and companies in the general area to publicize their environmental conservation efforts. Hitachi Capital and Hitachi participated because two companies had jointly established Hitachi Wind Power Ltd. in January 2014 to manage the Nakajo Wind Power Plant in Tainai City. The wind farm began operation in March 2014 in Hitachi Industrial Equipment Systems site.

The Hitachi booth displayed a model of one of the wind turbines, listed its specifications, and showed photos of the wind farm's construction. The booth also hosted a quiz for children attending the carnival. While answering the quiz, about 100 children had fun learning about wind power generation.



Publicizing environmental conservation efforts At Eco Carnival '14 in Shibata.

Donations of Used Computers for Reuse

Hitachi Capital Corporation is continuing its practice of donating used computers for reuse at special needs schools, and at school libraries in areas hit by the Great East Japan Earthquake. The computers are donated through the Japan Leasing Association, a

public interest incorporated association.

Elsewhere, Hitachi Capital Services Co., Ltd. sponsors a reusable computer donation program four times a year, offering a donation of computers for non-profit organization headquartered in Tokyo, Chiba, Saitama, Ibaraki, and Kanagawa prefectures. The program, in operation since fiscal 2011, is part of the company's efforts of social contribution with close community links.

Volunteer Activities for Environmental Conservation

In 1992, Hitachi Capital participated in the first round of the Forestry Agency's "company forest" program, cooperating in the conservation of forest resources. In 1999, we took the company forest as a symbol when we set up the "Company Forest Eco Club", a voluntary club for employees. Club activities include planting forests and cleaning beaches, mountains and rivers.



Artbility Awards ceremony

The Club joined in with the "Beach Cleanup Kanagawa" event, which was organized by the Fujisawa City in Kanagawa prefecture, and the Kanagawa Coasted Environmental Foundation. This was the 14th consecutive time the Club has participated, since 2001. In fiscal 2015, a group of Hitachi Capital Group employees and their families, totaling 30, participated in activities.

Supporting Challenged Artists

We use works from the "Artbility" art library, which has been supporting Challenged artists since 1992, in our published materials (calendars and communications tools (see p.1), supporting the artists' creative work. We have been a sponsor of the "Artbility Awards" since 1995, and we have been presenting a Hitachi Capital Special Award, as a way of supporting the artists' independence and spreading their art.

Europe

Social Contribution Activities Answering Local Needs and Utilizing Business Characteristics

In the U.K., an in-company Charity Committee is



formed with membership including executive officers. The committee promotes a wide range of activities addressing local needs, from projects involving all employees to donation and voluntary action by volunteers from specific departments and offices.



Donation of light vans to a hospice in the U.K. (One is for home care patient emergencies.)

During fiscal 2015, the company promoted the following endeavors: a raffle to raise money for Macmillan Cancer Support*¹ and donations supporting the work of nursing staff through cake sale that all employees participated in; the donation of light vans for a hospice (an end-of-life care facility); a public awareness campaign via elementary schools and community newspapers for local efforts promoting transportation safety; a charity party for invited local seniors and their families; and the donation of equipment for a rugby team of children of nine years or under.

The Americas

Company Volunteer Committee Pitches in Various Activities

In fiscal 2014 Hitachi Capital America Corp. established the Community Action Committee of company volunteers to promote a wide range of activities. Continuing a practice from last year, in fiscal 2015 the committee participated in volunteer activities for the Hole in The Wall Gang Camp*², and delivered donated materials to it. In addition, the committee participated in a walkathon for juvenile diabetes and for breast cancer patients organized by the American Cancer Society, donated to food banks, supported homeless individuals by sharing meals with them in employees' homes, promoted volunteer read-aloud sessions to children, and donated educational materials to a school for the hearing impaired.



Volunteer read-aloud session for children

China

Charitable Activities which promote Communications with Employees

Every October since 2006, Hitachi Capital (Hong



Beach cleanup in Cheung Chau Island, Hong Kong

Kong) Ltd. organizes a beach cleanup in Cheung Chau Island, Hong Kong, to help beautify the shoreline while giving employees opportunities to form closer ties with one another. During the last cleanup, 115 individuals from the company and other nine companies in the Hitachi Group operating in the Hong Kong area picked up 127 kilograms of garbage. The event drew more than 50,000 participants.

ASEAN

A Helping Hand for Children's Education

Raising the level of children's education in rural Thailand has been the aim of activities pursued by Hitachi Capital (Thailand) Co., Ltd. since fiscal 2015. In December 2014, 12 of the company's employees visited a suburban Bangkok school with an enrollment of 89 students ranging from pre-kindergarten to elementary school age. At the school, the employees donated materials that included 13 used computers and four boxes of stationery, books, beverages and snacks. A donation of 25,000 baht from the company and its employees was also presented. After touring the school, Hitachi personnel spent time with the children and had lunch with them. The company is planning to promote environmental conservation and offer support for school education every year.



A school in Thailand where the stationery, teaching supplies were donated

*1 Non-profit organization of nurses in the U.K. offering supports for cancer patients

*2 The facility devised to give as much enjoyment as possible to children with severe and life-threatening diseases, such as cancer, sickle-cell anemia, AIDS, and hemophilia and their guardians

III Implementation of Corporate Ethics

As a Member of Society

As a financial service company that puts trust first, we regard corporate governance to raise the transparency of management as the basis for complying with the law and social norms, while also establishing the optimum management organization for raising corporate value.

Corporate Governance

The separation between supervising functions and business executive functions in our management is the basis for the rapid and appropriate resolution of management issues we may face, now or in the future. We employ the company with nominating committee, etc., to form a part of management structure which enhances management transparency.

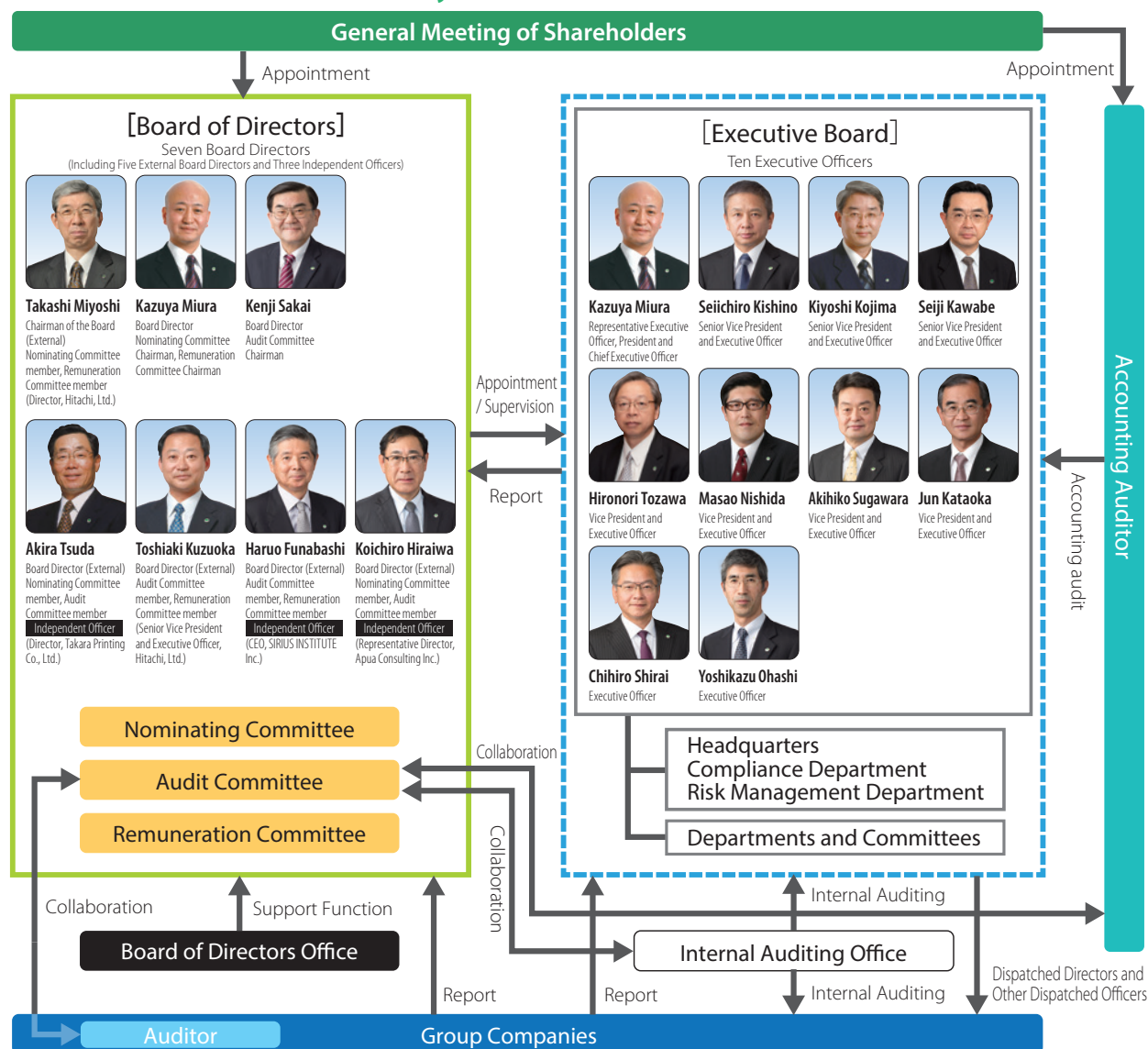
The board of directors now (June 24, 2015) consists of seven directors, including five external directors, and usually meets monthly. In line with law, the Company's Articles of Incorporation and the regulations of the Board of Directors, it conducts deci-

sion-making on important management matters such as basic policies and key management strategies.

The Board also undertakes the appointment of Executive Officers, requests explanations and reports regarding executive activities when needed and ensures that operations functions properly.

The Nominating Committee, Audit Committee and Remuneration Committee have been set up within the Board of Directors. The Audit Committee ordinarily meets monthly and is responsible for auditing management in terms of propriety and legality. The Nominating and Remuneration committees meet when necessary to decide on matters related to resolutions to select directors and appropriate salary / bonus for Executives.

Overview of our Internal Control System (As of June 24, 2015)





Organizational
Governance



Fair Operating
Practices

Executive Officers (ten as of June 24, 2015) elected by the Board make executive decisions and execute business affairs within the scope of authority delegated by the Board of Directors. An Executive Officers Committee has been established and meetings are held monthly to deliberate on key matters.

Corporate Governance Report is issued periodically to provide further information and updates on our corporate governance.

Web Corporate Governance Report (Japanese only)
http://www.hitachi-capital.co.jp/hcc/company/c_governance.html

Compliance Structure

Hitachi Capital Group has formulated a Compliance Policy to ensure effective compliance, particularly with regard to social norms that include laws or ordinances relevant to the Group, as well as voluntary industry rules. The Compliance Department has been established at the headquarters to gather information and plan, prepare and promote frameworks for legal compliance. Here it is worth pointing out that during Fiscal 2015 there was no serious violation of legislation by any company or employee in our Group, and no business-related incident leading to criminal charges. In terms of compliance education for employees, the Group undertakes educational programs created by the division in charge of human resources and education to offer basic legal education and well-planned training tailored to employee grades as well as specialized educational training. We set October as Corporate Ethics Month every year, in order to improve compliance and enhance internal corporate ethics as well as ensure thorough legal compliance.

We also set our policy against antisocial forces, aiming to maintain social order and public confidence. The policy stipulated the management systems and procedures necessary to completely cut off and eliminate relationships with antisocial forces. These rules are intended not only to prevent transactions that would violate social justice, but also prevent our directors and employees from becoming victims.

In addition, the Group has a whistle blowing system that allows Group employees (not only Full-time Employees at work but all employees including those who have already left the company) to report any illegal activities or improper conduct occurring within the Group to either an internal contact point or external legal counsel. By putting a system in place for receiving whistle-blowing (organizational development), and nurturing an awareness that illegal and

improper conduct must not be overlooked (attitude building), we aim to quickly discover problems within the company and solve them before they escalate.

The Group has set an Information Security Policy and a Personal Information Protection Policy. The following companies have acquired the Privacy Mark promoted by the Japan Information Processing Development Center (JIPDEC) for diligent management of personal information and similar data: Hitachi Capital Corporation, Hitachi Capital Servicer Corporation, Hitachi Capital Services Co., Ltd., Hitachi Triple Win Corp., Financial Bridge Corporation, and Hitachi Capital NBL Corporation. We are strengthening the structure to enable operations to be conducted based on a spirit of compliance through measures that include comprehensive education on such industry specific laws as the Money-Lending Business Control and Regulation Law as well as various laws that affect its business.

Compliance Policy

【Basic Principle】

Hitachi Capital carries out proper business activities with high ethical standards in order to earn trust from people in global society.

【Action Guidelines】

1. We will comply with laws, ordinances and regulations and act according to social norms and standards.
2. We will execute proper business transactions based on fairness, transparency and free competition.
3. We will maintain sound and proper relationships with political bodies and governments.
4. We will oppose antisocial forces with firm resolve.

Policy on Antisocial Forces

【Basic Principle】

Hitachi Capital resolutely blocks and eliminates any relationships with antisocial forces in order to secure social order and sustain public confidence.

【Action Guidelines】

1. We will establish systems to hinder any relationship with antisocial forces.
2. We will make a proper and organizational countermeasure against antisocial forces by closely liaising with police, lawyers and relevant authorities.
3. We will refuse any undue claims from antisocial forces.
4. We will never provide any funding to or negotiate behind-the-scenes transactions with antisocial forces.
5. We will protect and provide security for our frontline executives and staff who confront antisocial forces.

■ Number of whistle-blowing

Fiscal 2013	Fiscal 2014	Fiscal 2015
3	3	3

As a Member of Society

Information Security Policy

【Basic Principle】

Hitachi Capital thoroughly safeguard its information assets through an information security management system.

【Action Guidelines】

1. Maintain safeguards that meet the organizational, human, physical and technical standards required for effective information security management.
2. Maintain the confidentiality, integrity and availability of information assets handled during our business activities.
3. Abide by laws, ordinances and regulations on information security, and take the required actions set out in rules of employment if violations occur.
4. Increase the information security awareness of our executive officers and employees, and provide them with education and training in information security.
5. Take steps to prevent information security lapses, and if an incident occurs publish the fact at the appropriate time and in the appropriate manner, and promptly adopt countermeasures to prevent a recurrence.
6. Keep making improvements to our information security management system on an ongoing basis.

Personal Information Protection Policy (excerpt)

【Basic Principle】

Hitachi Capital operates in the financial services business, and as such, it thoroughly protects the personal information in its possession.

【Action Guidelines】

We determine and execute our internal rules in line with the Private Information Protection Law and related laws, with state guidelines, and with other norms. We also test, audit, and revise them in a process of ongoing improvement.

1. We obtain the necessary consent before handling personal information.
2. We handle personal information with great care.
3. We always respond with sincerity.

Web Personal Information Protection (only Japanese)

<http://www.hitachi-capital.co.jp/hcc/info/privacy.html>

Risk Management Structure

The Group has formulated a Risk Management Policy as a mean of clarifying basic management policies as well as the methods for addressing risks.

Within financial services industry, we recognize the importance and necessity of having a true and accurate grasp of risks affecting our business, and addressing those risks appropriately. In addition to a Business Continuity Plan (BCP), we have set up a Risk Man-

agement Department in our headquarters, to greatly enhance our risk management stance. The department is intended to comprehensively address our Group's risks such as business, credit, and compliance risks. A Risk Management Committee meets each month to share risk-relevant information, conduct effective risk impact assessments, and prioritize issues.

Risk Management Policy

【Basic Principle】

Hitachi Capital appropriately handles the risk of business interruption and carries out a stable business operation.

【Action Guidelines】

1. We will recognize any events that could cause damages, losses and uncertainty as risks.
2. We will appropriately evaluate and review risks and take necessary measures.
3. We will consider the balance between risk and return, and will handle them in an appropriate manner.
4. In case of emergency such as disasters, we will place maximum priority on human life and aim to continue our business activities.

Credit Risk Policy

【Basic Principle】

Hitachi Capital, as a company that grants credit to customers, manages individual credits and credit portfolio management in an appropriate manner in order to strengthen soundness of assets.

【Action Guidelines】

1. We will earn adequate revenues commensurate with the risks by means of conducting credit screening/review focused on financial soundness.
2. We will take prompt remedial actions when we identify events that could make the collection of debts be doubtful.
3. We will avoid concentration of risk in specified industries or assets by monitoring and diversifying the overall composition of our credit portfolio.

Risks to Hitachi Capital's Business etc.

The following are considered to be the main risk factors facing the Group's business etc. Regarding future risk factors listed in this text, the Group made decisions at the end of this consolidated accounting year.

Governance Risk

Actions to reduce this risk>>

Corporate Governance (Please refer P.25)

● Internal Control-Related Risk

The Company has established and maintains an internal control system for entire Hitachi Capital Group based on the board resolutions on internal control. Nevertheless, if internal controls do not function effectively or unexpected problems arise, there could be an adverse impact on the Group's business results.



Organizational
Governance



Fair Operating
Practices

Operational Risk

Actions to reduce this risk>>

II Respect for human dignity and III Implementation of corporate ethics (Please refer PP.19-32)

● Laws and Regulations Changes Risk

Changes in laws and regulations related to the Group's business could adversely impact the Group's business results. Although the Group has always complied with the Interest Limitation Law and therefore the Group would not be directly affected by any refunding of excess payments, if it occurs, failure to comply with the laws and regulations applicable to the Group, it might lead to penalties. Also there is a risk that future changes in laws and regulations could negatively affect the Group's business results and financial conditions.

● Administrative and System Risk

The Group carries out its business activities using various information systems. Any human error, including inappropriate administrative works or accidents, fraudulence by employees, unauthorized access to systems from outside the Group, attacks by computer viruses, or a stoppage or breakdown of internal operating systems, or external leaks or illicit use of information concerning customers or business partners due to similar causes, could have an adverse impact on the Group's business results due to such causes as damage to said customers or business partners or loss of the Group's social credibility. Also, natural disasters such as earthquakes could cause damage to the Group's data centers. As countermeasures for these risks, the Group has set up and maintains backup systems at both domestic and overseas sites.

However, disasters of an unforeseeable scale could prevent the Group from continuing its business on a normal basis, which could have an adverse impact on the Group's business results and financial conditions.

● Compliance Risk

Given that the Group offers a variety of financial services, it must comply with applicable laws and regulations, including but not limited to, the Installment Sales Law, the Financial Instruments and Exchange Law and the Law for the Control of the Money Lending Business, as well as a number of laws and regulations relating to consumer protection and waste disposal.

In addition to these laws and regulations, the Group must also comply with a wide range of social rules from internal regulations and voluntary industry rules to social norms. The Company established the Compliance Department at its headquarters and is working to develop and maintain its compliance structure. However, failure to comply with applicable laws, regulations and social norms could lead the Group to penalties and loss of social credibility, which could, in turn, have an adverse impact on the Group's business results and financial conditions.

● Human Resources Risk

The Group considers employees' abilities as its substantial assets and is seeking to step up recruitment and planned education and training activities. However, if the existing employees are not able to deal with the new business in the business structure reforming in process, employees are not placed properly or it is impossible to secure new personnel or otherwise, there is a risk that the Group will not be able to secure the human resources required for business operations following the business structure reforming.

Also, no proper succession of the know-how necessary for its business operations, such as screening and receivables collection, that the Group has been accumulating for a long time, could prevent the Group from continuing its business activities. Such an event could also negatively impact on the business volume and damage business relationships, with a result of reduced profitability.

Financial Risk

Actions to reduce this risk>>

Risk Management System (Please refer P.27)

● Interest Rate Risk

The Group procures large amounts of funds in order to provide financial services, including leasing and installment sales. Although the Group carries out thorough ALM* through securitization of assets or other methods, as the duration of assets and liabilities are not completely consistent, large fluctuations in market interest rates, different movements between short-term and long-term interest rates or any other similar factors could cause a rise in fundraising costs, which could, in turn, have an adverse impact on the Group's business results.

* Asset Liability Management: Companies firmly ascertain the characteristics of maturities and interest from their assets and liabilities, and monitor cash flows, liquidity, currency risk and interest risk.

● Liquidity Risk

Although the Group works to appropriately manage its cash position by diversifying its fundraising measures and expanding its fundraising sources, there are times it may be difficult for the Group to secure the funds required or the Group may be forced to procure funds when interest rates are significantly higher than ordinary rates in normal circumstances if the creditworthiness of the Group has declined, or due to turmoil in financial markets or changes in the market environment. These factors could weaken the Group's competitiveness in obtaining new orders or deteriorate the Group's profitability and then could have an adverse impact on the Group's business results and financial conditions.

● Credit Risk

The Group is engaged in various kinds of business associated with providing credit, including leasing, credit guarantees and installment sales. During such business execution, the Group appropriately controls credit risk by strictly conducting such measures as screening at the time of a contract and ascertaining such factors as the state of credit while a credit receivable is being collected. Nevertheless, an increase in corporate and personal bankruptcies due to a changing economic environment could result in an increased burden with respect to losses on receivables or bad debt expenses for lease transactions, which could have an adverse impact on the Group's business results.

● Leased Assets Residual Value Risk

One of the Group's strategies is to provide financial services that focus on physical assets. To achieve this, the Group concentrates on operating leases with assessed residual value in response to changes in market demand accompanied by changes in accounting standards for financial leases. With respect to the Group's ability to evaluate physical assets and to resell its leased assets, the Group is working to accumulate more knowhow and improve its expertise by strengthening its team of experts as its core skill-base. However, there is a possibility of losses incurred as a result of a decline in actual disposal value from the initial estimated value of leased assets due to such factors as unexpected changes in the market environment and technological innovations. These losses could have an adverse impact on the Group's business results and financial conditions.

● Risk Related to Business Partners

The Group has obtained new contracts in cooperation with numerous business partners. Although the Group endeavors to screen the business partners carefully at the time of collaboration, the Group may have to shoulder responsibility in case of bankruptcy of or misconduct such as inappropriate sales by a business partner, leading to demands for compensation from the Group's customers. This could have an adverse impact on the Group's business results and financial conditions.

● Non-Life Insurance Risk

The Group is engaged in non-life insurance business at its subsidiary and endeavors to reduce risk associated with insurance underwriting. However, any occurrence of major insured event could cause unforeseeable claims to pay insurance that could require additional contribution of finances in order to maintain a sufficient level of solvency.

Strategic Risk

Actions to reduce this risk>>

Sustainable growth (Please refer PP.7-18)

● Risk Associated with Business Structure Reforming

The Group is reforming its business structure from low-profitable business to high-profitable business in line with changing economic and competitive environments in order to achieve sustainable growth. However, if for any reason the said structure reforming is delayed or fails to be achieved as desired, the Group could become unable to obtain profits that it had anticipated.

● Overseas Business Risk

One of the strategies of the Group is business expansion in overseas markets, particularly in Europe, the Americas, China and ASEAN region, and the Group provides a wide range of financial services to not only Japanese companies operating overseas, but also local companies and individuals. Accordingly, any changes in laws, regulations and tax systems and other changes in business environment due to economic fluctuations peculiar to each country and region could have an adverse impact on the Group's business results.

III Implementation of Corporate Ethics

For the Environment

We believe that creating a sustainable society and environment is a necessary pre-requisite for corporate sustainability. Through our services, we aim to provide solutions that reduce environmental burden.

Environmental Policy

Consideration for the environment is a social need. Therefore in June 2005 we introduced our environmental policy in order to follow our Management Philosophy, which is to contribute towards making a better society. We address any environmental issues in accordance with the Environmental Policy.

Hitachi Capital's environmental policies

【Basic Principle】

Hitachi Capital carries out business activities in harmony with the environment and contributes to the "sustainable development of society".

【Action Guidelines】

1. We will comply with environmental laws, ordinances and regulations.
2. We will deal with and provide environmentally conscious products and services.
3. We will make every effort to prevent environmental pollution at workplaces or in our business activities and aim to achieve a recycling-oriented society.
4. We will disclose the fact of any environmental incident in a timely and appropriate manner and take immediate actions to prevent a recurrence once an incident occurs in our business activities.
5. We will raise awareness of staff about environmental issues and promote environmental conservation activities and local/social contribution programs.

Environmental Management System

If an executive officer is responsible for environmental business, Hitachi Capital also appoints them to the role of environmental management officer. Our Environmental Committee, including members from each department, is building our Environmental Management System. The Committee formulates and promotes the environmental action plan for each fiscal year.

We also use the Hitachi Group's internal environmental audits to work towards continuously improving our Environmental Management System.

Environmental Management System Organization

Environmental Management Officer

Determine annual environmental plans and targets, and track progress

Environmental Committee Executive Office

Gathers appropriate environmental data, shares issues, and writes annual environmental plans

Environmental Committee

Implements each department's environmental plan, and proposal of issues and improvement measures

The ISO14001 certification acquisition

To ensure the reliable execution of environmental targets and an increase in those targets, in 2001 Hitachi Capital Services Co., Ltd. in Japan acquired ISO14001:2004 certification, the international standard for environmental management systems, and in 2009 Hitachi Capital Vehicle Solutions Ltd. in the United Kingdom also attained this standard.

Compliance with Environmental-Related Laws

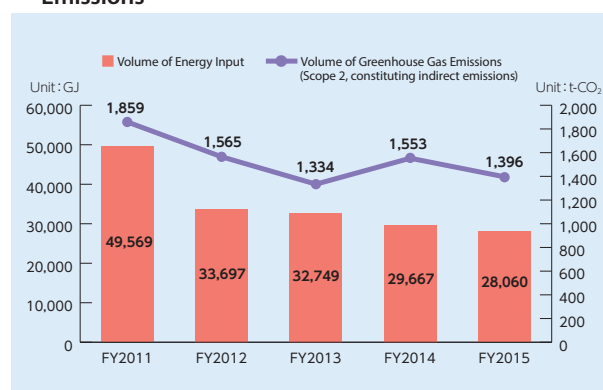
As part of our compliance activities, Hitachi Capital Group ensures that all directors and employees strictly observe all laws and regulations, including those related to the environment, and runs regular compliance checks. (See p. 26 for details)

In Fiscal 2015, there were no legal violations, including violations of environmental laws, and no external complaints.

Main Environmental Targets and Our Environmental Result

To reduce the environmental loads associated with our business, we set load reduction targets for each of the following items: [1] Nurture environmental literacy among environmental managers and employees, [2] Provide and purchase environmentally friendly services, [3] Ensure offices used operate with high levels of consideration for the environment, [4] Environmental collaboration with our stakeholders.

Volume of Energy Input and Greenhouse Gas Emissions



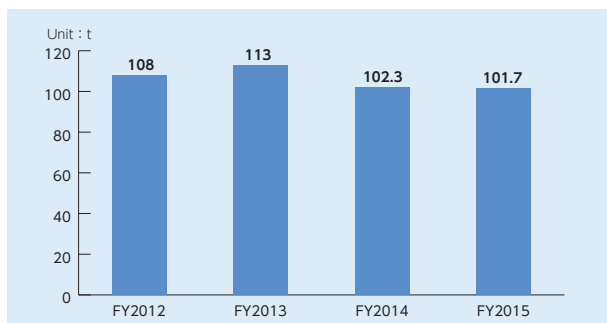
* Scope: Hitachi Capital Corporation in Japan (Including our headquarters, sales offices and jointly based group company headquarters and sales offices)

* Energy used only electricity (Scope 2, constituting indirect emissions)

* Conversion factors for each volume of energy input are calculated as emission conversion factors based on the preceding year's electricity suppliers' energy conversion factors.



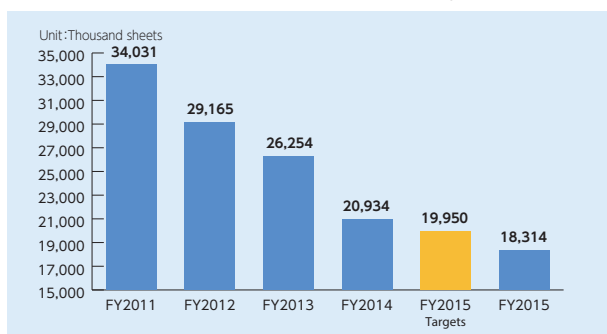
Waste generation volume



* The scope is limited to headquarters of Hitachi Capital Corporation.

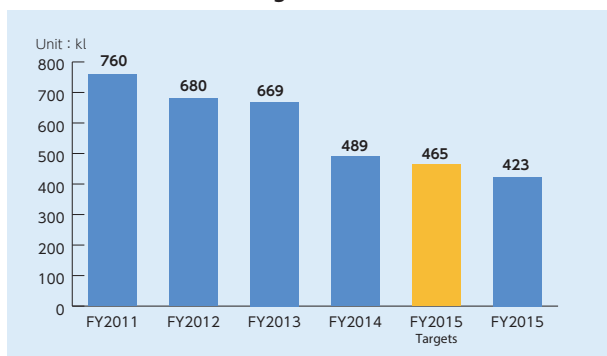
* Waste volumes from September 2014 onward are estimated from the rate of the site area occupied by our company.

Trends of the Volume Copier Paper Usage



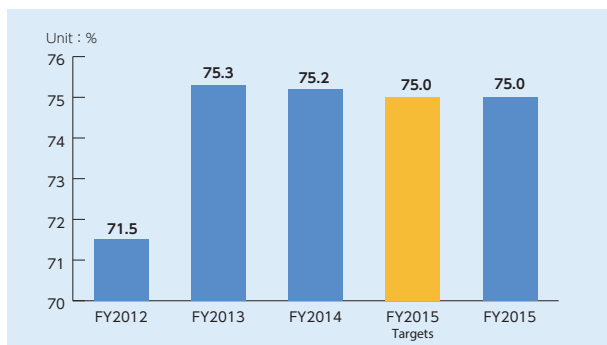
* The scope is limited to headquarters of Hitachi Capital Corporation.

Trends in Gasoline Usage Volume for Sales Vehicles



* The scope is limited to headquarters of Hitachi Capital Corporation.

Trends in our Green Purchasing Ratio



* Scope: Hitachi Capital Group in Japan

Environmental Accounting

Fiscal 2015 Environmental Conservation Cost (Unit: MJPY)

Category	Efforts	Investment	Cost
Business area costs	Greenhouse gas emission reduction, and waste reduction	0	0.3
Upstream and downstream costs	Additional costs required for providing environmentally-friendly products and services, green procurement, and recycling	11,142	162.7
Cost of management activities	Environmental data management and collation, maintenance and management of the Environmental Management System, environmental education and dissemination of information	0	0.7
Cost of Social Activities	"Hitachi Capital" s Forest", cleaning areas around business offices, and community environmental conservation activities	0	2

* Research and development and environmental damage costs are excluded because they do not occur, due to the nature of our business.

* Waste treatment costs are not distinguished from building management costs, and are excluded from collated figures for this year.

Fiscal 2015 Environmental Effects

Category	Units	Results	Gaps compared with preceding year	Gaps compared with the preceding year per unit
Energy Input volume	GJ	28,060	-1,607	96%
Waste Generation Volume	t	101.7	-0.6	99%

* The units for energy input volume and general waste generation are used by employee numbers.

Environmentally-friendly Efforts on site

We are also engaged in achieving ongoing reductions in environmental loads in the offices and buildings where products and services are created.

Domestically, in fiscal 2015 company headquarters, sales offices, and domestic Group company offices, which were spread around Tokyo, were relocated and consolidated in Nishi-Shimbashi Square, a highly functional office building which features environmentally-friendly facilities such as bringing in sunlight while cutting solar thermal loads. Additionally, as of February 2015, at the CS Tokyo Distribution Center of Hitachi Capital Services Co., Ltd. wooden pallets no longer required are being used as recycled ligneous biomass fuel materials (a renewable, biologically derived organic resource except fossil fuels).

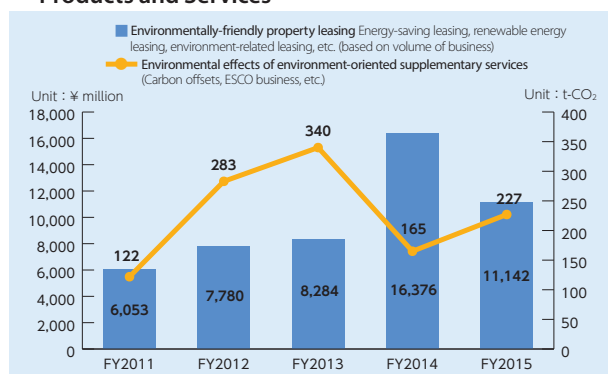
In overseas, consideration for the efficient use of energy and water resources in buildings has been advanced with the completion of "Hakuba House," the new Hitachi Capital Vehicle Solutions Ltd. business office in Trowbridge, U.K. in June 2014. It was rated "Very Good" by BREEAM (Building Research Establishment Environmental Assessment Method), the U.K.'s assessment method for sustainable buildings.

For the Environment

Environmentally-friendly Products and Services

Together with our stakeholders we are implementing various initiatives to contribute to environmental conservation and provide “Win-Win” environmentally-friendly products and services.

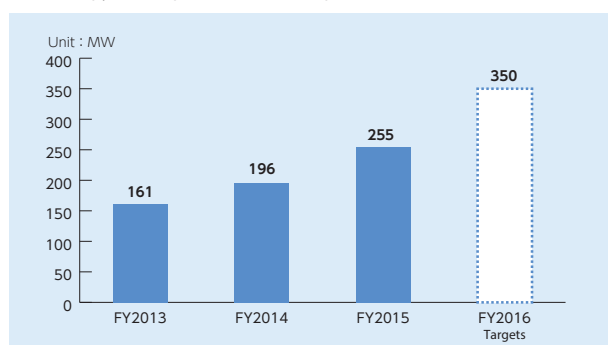
Environmental Effects of Environmentally-friendly Products and Services



Renewable Energy Business

Besides our business of leasing solar and wind power generation equipment and plant, we are also developing a power generation business. Our power generation business includes electricity sale contracts, the development and demonstration of generation systems, permit procedures and other negotiations with

Cumulative total power generated from renewable energy, and generation targets



local authorities and power companies required for installing power generation equipment, explanations to local residents, and environmental impact assessments around generation facilities including biodiversity.

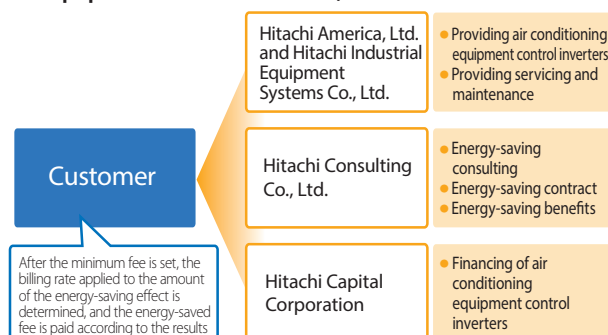
Support Solutions for Reducing Energy Costs Providing “Energy Saving as a Service”

Hitachi Capital America Corp. is helping North American infrastructure operators suppress investment in lighting and HVAC energy conservation as much as possible. In response to customer demands to maximize benefits from energy-saving effects, we implement the operation under the contract that sets billing rates according to the amount of energy-saving effect and fee to be charged depending on saving result.

Hitachi Consulting Co., Ltd. validates energy consumption levels and implements projects to reduce them, while Hitachi Capital handles financing for equipment and systems. Hitachi Group companies and its partners provide equipment and servicing and maintenance, as we promote energy-saving projects that are Win-Win deals for us and the customer.

In March 2015, we were recognized as a “Best of the Best” award as “One of the Leading Companies in Energy Financial Services Innovation for 2014” from our business partner Energi Insurance Services, Inc.

Overview of energy-saving contracts (air conditioning equipment control inverters)



Carbon Offset*1 Service

We have been providing our carbon offset service



The Energi Insurance Services, Inc. “Best of the Best” Award Ceremony
©Energi Insurance Services, Inc.

VOICE

HCA entered the energy space in July 2013, financing lighting and energy management systems for our partners at Enlighted and Hitachi Consulting for their customer. This program is expected to generate \$10million in annual savings for the customer. HCA is excited to be part of this growing industry, leveraging its structured finance expertise to develop unique financial solutions for its lighting, HVAC, biofuel, power storage and other clean technology partners.

Structured Finance Energy Sector Program Manager, Hitachi Capital America Corp.

David Burr (Center)



since 2008.

We obtain J-credits and other domestic emissions rights, which allows us to handle in small lots (of 1t-CO₂ or more) to provide carbon offset leasing and outsourcing services.

HDRIVE

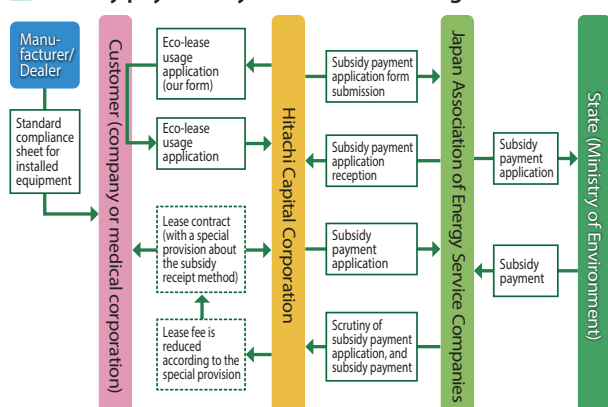
In partnership with Hitachi, Ltd., we provide the HDRIVE energy-saving service, in which we install inverters and motors free of charge on customers' equipment, and collect part of the monthly energy-saving effect (benefit) as our service charge. Hitachi Capital serves as the finance company, notifying the customer each month of the energy-saving effect after we provide the service, and acting as the agent/intermediary for payment collection.

Eco-Leasing

We are developing our eco-leasing business to contribute to the conservation of the global environment by promoting the diffusion of low-carbon equipment, such as air conditioning equipment and LED lighting.

We have been designated by the Environment Ministry as a leasing business for the ESCO (Energy Service Company) business, in which lease fees are reduced within the basic lease contract period if low-carbon equipment which satisfy standards stipulated by the Environment Ministry which are introduced by leasing.

Subsidy payment system for eco-leasing

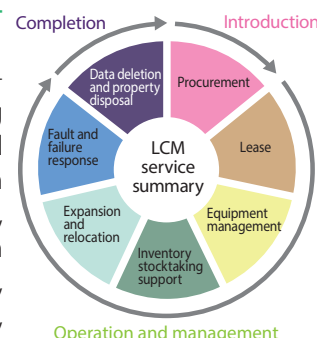


Total lease fee reduction rate for eco-leasing

Range of installation of leased properties	Eco-leasing electricity saving assistance equipment	Other equipment subject to eco-leasing
Three prefectures of the Tohoku region	10%	
Other regions of Japan	5%	3%

LCM (Life Cycle Management) Service

We provide a comprehensive BPO^{*2} service covering all issues of operation and management through the life cycle of IT devices, from their introduction to disposal (introduction, equipment management, expansion and relocation, fault and failure response, inventory management, data deletion, and physical disposal, etc.). This enables efficient management of IT devices, contributing to the building of a resource-recycling society.



Reuse and Recycling Business

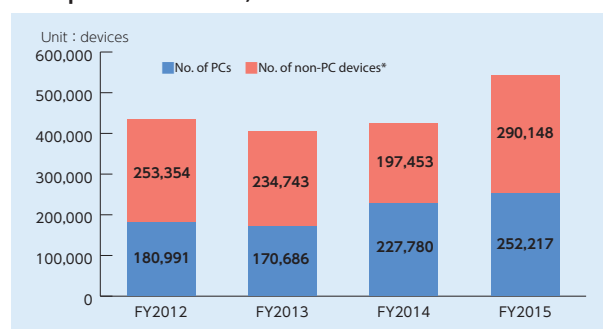
Hitachi Capital Services acts as the agent for a "lease completion service" covering PCs, servers and other information equipment, industrial and machine equipment, scientific instruments and other goods belonging to Hitachi Capital. The service covers the purchase and resale of leased and rented assets.

Hitachi Capital Services also provides an "asset exploitation service" which resells (for reuse or recycling) assets that customers no longer need. Hitachi Capital Services' PC reuse/recycle rate is 99.9%. It sells refurbished PCs that clear its own standards to companies and individuals, under the "eco-Friend PC" brand.



The basic policy of Hitachi Capital Services is that it is a company that values "people, goods, and the environment". It takes the recycling and sale of products as its core business and is pursuing reuse services as a way of contributing to resource recycling services.

Volume of information equipment collected by Hitachi Capital Services Co., Ltd.



* From Fiscal 2015, servers are also included

^{*1} When a company is trying to reduce greenhouse gases but is dealing with an emission volume that is difficult to reduce, it can purchase credits representing greenhouse gas emission reductions or gas absorption volumes achieved elsewhere, to offset some or all of the emission quantity that was too difficult to reduce.

^{*2} BPO (Business Process Outsourcing) means companies and others outsourcing non-core administrative processes as they stand, to specialist service providers. It differs from conventional outsourcing in that with a BPO service, the administrative process is contracted out on a one-stop basis, from redesign of the process through to its operation.

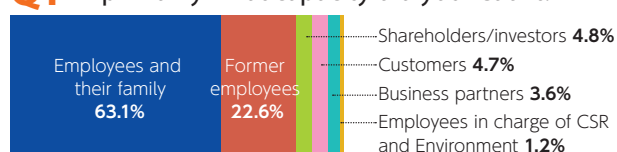
External Evaluation

“Hitachi Capital CSR Report 2014” Questionnaire results (collected as of June 30, 2015)

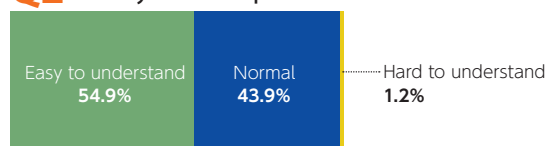
In Fiscal 2015 Hitachi Capital published the “Hitachi Capital CSR Report 2014” as its first report to cover non-financial information.

The opinions received and points raised not only form the basis for the creation of this year’s report, but will also be made use of in business activities.

Q1 In primarily what capacity did you read it?



Q2 Clarify of the report



Points raised regarding last year’s report and responses in this report

Points raised regarding the Hitachi Capital CSR Report 2014	Responses in the Hitachi Capital Report 2015
The non-financial information was extensive, but the financial information was unsatisfactory.	The financial and non-financial information reported in the annual report has been integrated in a single communication tool, the “Hitachi Capital Report.”
There are many English loanwords in the Japanese, and the business content is difficult to understand.	Business reports on which diverse requirements are placed are devised to provide focused communication using images. In addition, annotations are appended to facilitate wide a understanding, not only among specialists.

External Evaluation

The Hitachi Capital Group is evaluated by external observers, both for its financial position and its CSR activities. In future, we will continue to fulfill our social responsibilities so that we can grow sustainably with society.

External Rating for Fiduciary Assessment

In 1989, we were the first in the lease and credit indus-

try to gain the bond issue rating of “AA” from Standard & Poor’s (S&P) and Rating and Investment Information (R&I). We have continued to maintain the rating since then. In August 2014, we were selected to join the JPX-Nikkei Index 400 (a list of highly attractive investment companies for investors).

Bond issue rating (as of March 2015)

Rating agency	Rating
Standard & Poor’s (S&P)	A–
Japan Credit Rating (JCR)	AA–
Rating and Investment Information (R&I)	A+

Selected for the Key index of SRI (Socially responsible investment), FTSE4Good Index Series

We were selected to join the FTSE-4Good Index Series^{*1}, which is one of the key indexes of SRI (Social Responsibility Investment).



FTSE4Good

Awarded the highest rating for environmental responsibility from the Development Bank of Japan

In March 2015, Hitachi Capital gained the highest rating for “particularly advanced approaches toward consideration for the environment” for second consecutive year in the DBJ (Development Bank of Japan) Environmental Ratings^{*2}.



Fiscal 2015 DBJ environmental rating certificate

Attending External Events

Hitachi Capital Group participates in the “Fun to Share”, public initiatives in Japan to create a low carbon society which is organized by the Environment Ministry of Japan. [1] We apply “Cool Biz” from May to October, and “Warm Biz” from November to April, encouraging clothing adjustment so that we can set the air conditioning at 28°C in summer and at 20°C in winter. [2] We turn PCs/OA equipment and lighting off attentively, and encourage employees to leave the office on time throughout the year.

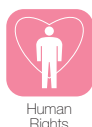


^{*1} The FTSE4Good Index Series consists of brands selected by the FTSE Group, which has investment from the London Stock Exchange, on the theme of ESG (Environment, Society, Governance).

^{*2} The screening system (rating system) developed by the DBJ assesses companies’ level of environmental management by the DBJ’s proprietary assessment system. Companies taking superior action are selected and given an environmental rating which sets interest rates at three levels, according to their rating point scores. This is the first financing system in the world to apply this kind of specialized method.



Organizational
Governance



Human
Rights



Labour
Practices



The
Environment



Fair Operating
Practices



Consumer
Issues



Community Involvement
and Development

Third party opinion

Read the Hitachi Capital Report 2015

Through the publication of a report covering both financial and non-financial information, I would like to show my respect for that Hitachi Capital reached a new level of stakeholder communications. This “new level” is one which delivers a synergy between economic and social activities. The integrated report is essentially still experimental. This is because the creation of a “synergy,” or in other words “shared value,” is not easy. Many corporations are seeking something which goes beyond discussing significance of its business and social contribution for their own sake.

I would like to view this report as part of that kind of endeavor, and make several comments.

Firstly, human resources. The report describes human resources as an important focal point of the shared value between society and business. Social contributions and human rights related initiatives create social value at the same time as bringing about employee fulfillment, and thereby contribute to business growth. This is a persuasive concept.

Similarly, environmental initiatives and introducing actual results also meet the demands of the integrated report.

Two special features succeed in communicating plainly the social role played by Hitachi Capital and conveying its business in a large as life manner.

Finally, I would like to raise one challenge for the future. It is to integrate “Respect for Human Dignity” and the “Implementation of Corporate Ethics” more deeply and organically into “Sustainable Growth.” The solution of how to effect this integration is not clear-cut. However, the consideration and expression of this point will cultivate long-term corporate competitiveness, and I believe it will also lead a business which is more accepted by society.

Research Institute of Economy, Trade and Industry, IAA
Consulting Fellow

Toshihiko Fujii



Message from the CSR Director

We have been a corporate group that seeks to “Contribute to Creating a Better Society through the Cultivation of Financial Services Needed by Customers and Society”. We are striving in every region and department to address society’s issues through our business. From April 2014, as CSR director, I have clarified our corporate stance for CSR, stating “We believe that by implementing the management philosophy, we can achieve our CSR goals.” In July, we established our CSR Promoting Preparatory Committee consisting of executive officers and Heads of departments in order to ensure the implementation of the CSR stance across the Group. We have started Group-wide CSR activities which include the extraction of important issues including risks and opportunities for the Group and clarification of policy.

As pointed out by third party opinion, we will implement management philosophy within the business and promote corporate growth while achieving greater acceptance from society.

Going forward, for a more solid and high quality implementation of our CSR activities, we consider it important to accurately understand the issues that require our response, prioritize management tasks and reflect this in business plans, through communicating their priority with internal and external stakeholders as well as company’s top management. We hope you will share your opinions of the Group’s policies and activities.

Hitachi Capital Corporation,
Senior Vice President and Executive Officer / Director in Charge of CSR

Seiichiro Kishino



FY2015 CSR Promoting Preparatory Committee discussion (center)

For Shareholders and Investors

For more detailed and the latest financial information, please check the IR information on our website, "To shareholders and investors," as well as the "Financial Statement Report" (Japanese) and the "Hitachi Capital Report 2015 detailed financial information supplement" (English).

Web: http://www.hitachi-capital.co.jp/hcc/english/ir_english/index.html

* From Fiscal 2016, consolidated financial statements are prepared based on International Financial Reporting Standards (IFRS), replacing the conventional Japan GAAP.

*—: Not applicable.

Accounting standards	Japan GAAP				IFRS	
Item \ Period	FY2012	FY2013	FY2014	FY2015	FY2014	FY2015
Performance (Millions of yen)						
Revenues (IFRS)	—	—	—	—	¥342,675	¥356,291
Income before income taxes (IFRS)	—	—	—	—	¥33,171	¥35,598
Net income (IFRS)	—	—	—	—	¥22,350	¥24,937
Net income attributable to the owners of the parent (IFRS)	—	—	—	—	¥21,547	¥24,140
Revenues (Japan GAAP)	¥92,994	¥103,304	¥127,979	¥143,341	—	—
Operating income (Japan GAAP)	¥22,238	¥25,620	¥32,598	¥38,349	—	—
Ordinary income (Japan GAAP)	¥22,637	¥27,401	¥33,619	¥39,835	—	—
Net income (Japan GAAP)	¥12,687	¥16,546	¥22,195	¥24,507	—	—
Financial position (Millions of yen)						
Volume of business	¥1,528,144	¥1,631,990	¥1,954,341	¥2,118,850	¥1,954,341	¥2,118,850
Total assets	¥1,757,241	¥1,891,431	¥2,390,601	¥2,744,460	¥2,619,108	¥2,952,471
Total liabilities	¥1,486,837	¥1,602,537	¥2,083,595	¥2,409,241	¥2,310,417	¥2,615,641
Net assets (Japan GAAP) / Total equity (IFRS)	¥270,404	¥288,894	¥307,005	¥335,219	¥308,690	¥336,830
Cash flows (Millions of yen)						
Cash flows from operating activities	¥(105,903)	¥(25,837)	¥(133,300)	¥(245,790)	¥(260,693)	¥(241,846)
Cash flows from investing activities	¥(20,306)	¥(37,476)	¥(11,722)	¥2,884	¥(12,750)	¥(3,443)
Cash flows from financing activities	¥157,723	¥64,463	¥149,057	¥208,247	¥282,772	¥210,858
Various corporate management index						
ROE (Return on equity (Japan GAAP) / Profit to equity attributable to owners of the parent ratio (IFRS))	4.9%	6.1%	7.8%	7.9%	7.6%	7.7%
ROA (Return on assets (Japan GAAP) / Profit before tax to total assets ratio (IFRS))	1.4%	1.5%	1.6%	1.6%	1.4%	1.3%
Equity ratio (Japan GAAP) / Ratio of equity attributable to owners of the parent (IFRS)	14.9%	14.8%	12.4%	11.8%	11.4%	11.0 %
Per share information, etc. (Yen, except Payout ratio)						
Net assets per share (Japan GAAP) / Equity attributable to owners of the parent per share (IFRS)	¥2,243.75	¥2,390.56	¥2,542.07	¥2,773.48	¥2,551.93	¥2,782.37
Net income per share (Japan GAAP) / Basic earnings per share (IFRS)	¥108.54	¥141.56	¥189.89	¥209.67	¥184.35	¥206.53
Dividends per share	¥33	¥38	¥48	¥60	¥48	¥60
Payout ratio	30.4%	26.8%	25.3%	28.6%	26.0%	29.1%

* For non-financial information (ESG information), please refer to this report.

■ Dividends policy

(1) Cash dividends

Returning profits to the shareholders is one of the most important management measures for the Company. And as a fundamental policy, we seek to maintain a stable distribution of dividends linked to business performance, while ensuring a sound financial position and securing internal reserves necessary for sustainable growth and to cope with the changing business circumstances. Also, the following policies were taken into consideration for distribution.

- (i) Secure own capital necessary to execute business as a financial service company
- (ii) Determine the amount of dividends based on the dividend on equity ratio and gross dividend payout ratio

As a basic policy, we pay cash dividends twice yearly using March 31 and September 30 as reference dates.

(2) Acquisition of treasury stock

The Group acquires treasury stock as a supplementary measure to dividends in returning profit to shareholders to the extent that is in line with the dividend policy, based on the comprehensive consideration about capital needs to maintain financial position and carry out business plans and the market environment.

■ Information disclosure policy

To better understanding of management policy and business content, information is disclosed in a timely and appropriate manner, not limited to the extent defined by law and disclosure regulations.

■ Communication with shareholders and investors

We are creating opportunities for communication regarding our management policies and recent developments not only at the ordinary general meeting of shareholders, but also at briefing sessions for individual investors, as well as holding IR meetings with appropriate top management and international and domestic institutional investors.



Briefing for individual investors

■ Stock situation (as of March 31, 2015)

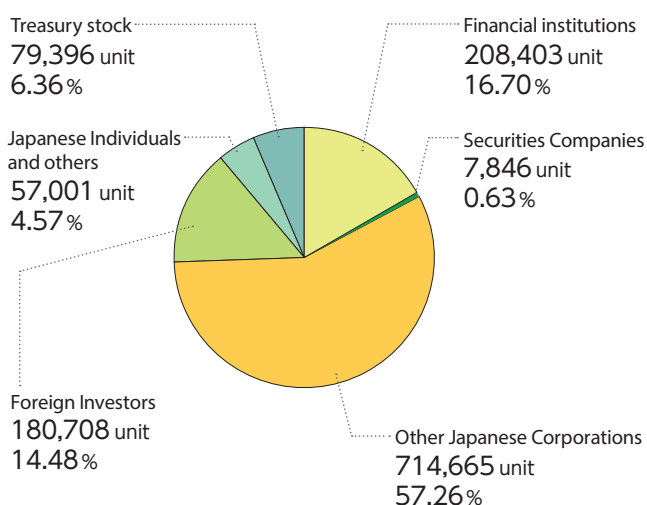
Common stock authorized	270,000,000
Common stock issued	124,826,552
Number of shareholders	6,711
Share unit number	100

Major shareholders

Shareholder name	Number of shares owned (thousands)	Ratio of shareholding (%)
Hitachi, Ltd.	68,378	54.78
Japan Trustee Services Bank, Ltd. (Trust Account)	6,032	4.83
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,977	4.79
Hitachi High-Technologies Corporation	2,325	1.86
CBLDN STANDARD LIFE ASSURANCE LIMITED-PENSION FUNDS	972	0.78
CBNY-GOVERNMENT OF NORWAY	830	0.67
BBH FOR BBHSTIA NOMURA FUNDS IRELAND PLC / JAPAN STRATEGIC VALUE FUND	723	0.58
Hitachi Capital Employee Shareholding Association	712	0.57
NOMURA BANK (LUXEMBOURG) S. A. S/A NOMURA MULTI CURRENCY JAPAN STOCK LEADERS FUND	648	0.52
Trust & Custody Services Bank, Ltd. (securities investment trust account)	580	0.47
Total	87,183	69.84

* In addition to the above, we hold 7,939 thousand treasury stocks (at a 6.36% of shares owned against total number of issued shares). These treasury stocks are non-voting, and therefore excluded from the above major shareholders.

Distribution of shares by owner (as of March 31, 2015)

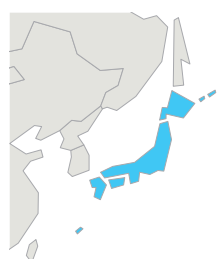


Company Profile

Company Profile (as of March 31, 2015)

Company Name:	Hitachi Capital Corporation
Description of Business:	Financial Services
Address:	Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan
Phone:	+81-3-3503-2111 (Key number)
Management:	Kazuya Miura, President & CEO
Founded:	September 10, 1957
Capital:	9,983 million yen
Consolidated volume of business:	2,118.8 billion yen (Year ended March 31, 2015)
Consolidated number of employees:	5,397 (as of March 31, 2015)

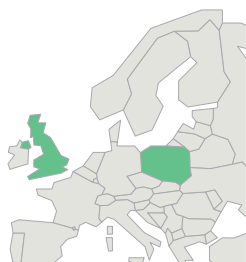
Group Companies (as of August, 2015)



Company Name	Address	Description of Business
Japan		
Okinawa Hitachi Capital Corporation	1-1, Kumoji 1-chome, Naha City, Okinawa, 900-0015, Japan	Leasing services for information communication equipment and medical equipment / Auto leasing and loan services / Credit services for home appliances
Hitachi Capital Auto Lease Corporation	8th Floor, Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	Auto leasing and vehicle management business
Sekisui Leasing Co., Ltd.	4-10, Doshomachi 4-chome, Chuo-ku, Osaka, 541-0045, Japan	General leasing business / Various types of loans
Hitachi Capital Insurance Corporation	8-10, Kudan-Kita 1-chome, Chiyoda-ku, Tokyo, 102-0073, Japan	Non-life insurance business / Agent service for other insurance companies and administrative operations
Hitachi Capital Community Corporation	3734-1, Fukaya, Ayase City, Kanagawa, 252-1103, Japan	Development, operation and management of commercial facilities and residential facility
Hitachi Capital Trust Corporation	Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	Trust for monetary claims, movable estates, money, securities, and real estate / Property management / Sales and purchase of trust beneficiary rights
Financial Bridge Corporation	6th Floor, Omori Bellport B Bldg., 26-2, Minamioi 6-chome, Shinagawa-ku, Tokyo, 140-0013, Japan	Provision of outsourcing services for "collective settlement system" service
Hitachi Green Energy Corporation	Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	Power generation by natural energy and others
Hitachi Wind Power Ltd.	Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	Power generation by wind power
Hitachi Capital NBL Corporation	9th Floor, Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	General Lease business
Hitachi Capital Servicer Corporation	Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	Collection management of monetary claims under the servicer law / Loan purchase and factoring
Hitachi Capital Services Co., Ltd.	8th Floor, Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	Leased asset management agency / Old property collection and recycling business / Prepaid television service
Hitachi Triple Win Corp.	Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	Outsourcing of payroll calculation and accounting, treasury operations, and collections service for public fund receivables
Daiichi Personal Credit Guarantee Corporation	Nishi-Shimbashi Square, 3-1, Nishi Shimbashi 1-chome, Minato-ku, Tokyo, 105-0003, Japan	Credit guarantee for consumer finance

Equity method affiliates

Sumitomo Mitsui Auto Service Company, Limited	20-2, Nishi-Shinjuku 3-chome, Shinjuku-ku, Tokyo, 163-1434, Japan	Auto leasing and General vehicle management services business
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Europe

Hitachi Capital (UK) PLC	Hitachi Capital House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP, UK	Leasing and credit services for industrial equipment / Invoice discounting and factoring / Credit service for PCs, furniture, and home appliances
Hitachi Capital Vehicle Solutions Ltd.	Kiln House, Kiln Road, Newbury, Berkshire RG14 2NU, UK	Leasing for car and commercial vehicle / Fleet management
Corpo Flota Sp. z o. o.	20/22 Palisadowa Street, Warsaw, Poland	Car fleet management business
Other 1 consolidated subsidiary		



The Americas

Hitachi Capital America Corp.	800 Connecticut Avenue, Norwalk, Connecticut 06854 U.S.A.	Leasing, loan, and inventory finance services for information communication equipment, industrial equipment, medical equipment, trucks, and others / Factoring business
Hitachi Capital Canada Corp.	3390 South Service Road, Suite 104, Burlington, ON, L7N3J5 CANADA	Leasing, loan, and inventory finance services for information communication equipment, industrial equipment, trucks, and others / Factoring business
CLE Canadian Leasing Enterprises Ltd.	2200, De La Sidbec Sud Street, Suite 202 Trois-Rivières QC G8Z 4H1 Canada	Finance business primarily for automobiles, healthcare related equipment, construction machinery, information equipment and industrial machinery
CLE Leasing Enterprise Ltd.	3390, South Service Road, Suite 104 Burlington ON Canada L7N 3J5 Canada	Finance business primarily for automobiles, healthcare related equipment, construction machinery, information equipment and industrial machinery
Other 2 consolidated subsidiaries		



China

Hitachi Capital (Hong Kong) Ltd.	16th Floor, Wai Fung Plaza, 664 Nathan Road, Kowloon, Hong Kong	Leasing and credit services for information communication equipment, industrial equipment, and others / Credit services for automobiles, PCs, furniture, residential equipment, home appliances, and others
Hitachi Capital Leasing (China) Co., Ltd.	Room 1509, Beijing Fortune Building, No.5, Dong san Huan Bei-lu, Chao Yang District, Beijing, China	Leasing for medical equipment, industrial equipment
Hitachi Capital Factoring (China) Co., Ltd.	Room 041, 19th Floor, Hang Seng Bank Tower, 1000 Luijiazui Ring Road, Pudong New Area, Shanghai, China	Factoring business



ASEAN

Hitachi Capital Asia Pacific Pte. Ltd.	111 Somerset Road #11-05 Singapore 238164	Leasing and credit services for information communication equipment, industrial equipment, and others / Credit services for PCs, furniture, residential equipment, home appliances / Car sales, auto leasing, car maintenance
Hitachi Capital (Thailand) Co., Ltd.	17th Floor, CRC Tower, All Seasons Place, 87/2 Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Thailand	Leasing and credit services for information communication equipment, industrial equipment, and motor vehicles / Factoring business
Hitachi Capital Malaysia Sdn. Bhd.	No.998,1st Floor, Jalan Tok Kangar, Auto-Link, 14100 Juru, Simpang Ampat, S.P.T., Pulau Pinang, Malaysia	Financing for commercial vehicles and leasing for information communication equipment, industrial equipment, and others
PT. Arthaasia Finance	Kencana Tower 5th floor, Business Park Kebon Jeruk, Jl. Raya Meruya Ilir No.88, Jakarta Barat, 11620 Indonesia	Financing for commercial and passenger vehicles and leasing for information communication equipment, industrial equipment, and others
PT. Hitachi Capital Finance Indonesia	ANZ TOWER Jl, 18th Floor Jend. Sudirman Kav. 33A Jakarta, Indonesia	Finance service for Hitachi Group / Leasing for real estate
Other 1 consolidated subsidiary		

Contact us here with your opinions and impressions about
Hitachi Capital's CSR activities



Strategic Management Division,
CSR Promotion Dept.

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<http://www.hitachi-capital.co.jp/hcc/english/index.html>

Cover

Hitachi Capital Corporation uses works from the Artbility art library, which has been supporting handicapped artists from 1992, in our printed matter, as a way of supporting the artists' independence and spreading their art. (See p.23 of this report)

"Fireworks"

Artist: Kota Hirayama (winner of the 26th Hitachi Capital Special Award)

Carbon Offset

Hitachi Capital Corporation applies a carbon offset for the CO₂ generated by the printing processes (from procurement of raw materials to printing processes) for this report.
Refer to our website for details.