Hitachi Capital Corporation
Annual Report 2009
Year ended March 31, 2009

HITACHI

Power of Solutions, Power to Customers

Illustration by Hiromichi Iida, recipient of the Hitachi Capital Special Award of the 20th Artbility Awards

Hitachi Capital

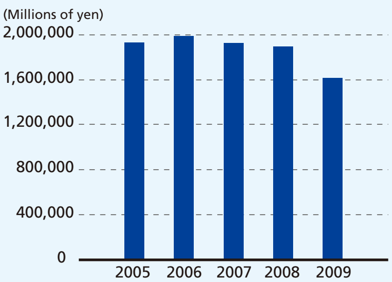
FINANCIAL HIGHLIGHTS

Hitachi Capital Corporation and Subsidiaries
Years ended March 31, 2009, 2008 and 2007

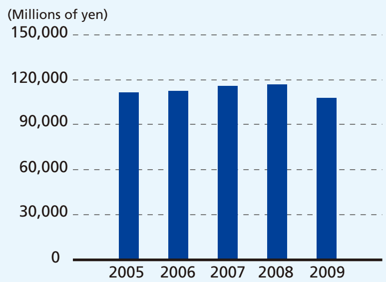
	In millions of yen, except per share data			Thousands of U.S. dollars, except per share data
	2009	2008	2007	**2009**
FOR THE YEAR:				
Volume of business	**¥1,616,460**	¥ 1,899,166	¥ 1,927,259	**$16,494,489**
Revenues	**107,943**	117,185	115,992	**1,101,459**
Operating income	**17,580**	22,486	24,963	**179,387**
Income before income taxes and minority interests	**21,812**	20,504	26,347	**222,571**
Net income	**12,122**	10,722	14,954	**123,693**
AT YEAR-END:				
Trade receivables	**¥ 529,657**	¥ 611,063	¥ 632,048	**$ 5,404,663**
Total assets	**1,790,497**	2,447,791	2,516,721	**18,270,377**
Net assets	**241,394**	239,077	247,897	**2,463,204**
Number of employees	**3,513**	3,418	3,409	—
PER SHARE DATA (in yen and U.S. dollars)**:**				
Net income (basic)	**¥ 103.7**	¥ 91.7	¥ 127.9	**$ 1.05**
Net income (diluted)	—	91.7	127.9	—
Cash dividends paid and declared for the year	**36.0**	40.0	36.0	**0.36**
Stockholders' equity	**2,053**	2,033	2,061	**20.94**

Notes: 1. U.S. dollar amounts in this report represent translations of yen, solely for the convenience of the reader, at the rate of ¥98=US$1, the approximate exchange rate at March 31, 2009.
2. Net income (basic) per share is based on the weighted average number of shares of common stock outstanding during the respective years (see Note 3 (l) for per share data).
3. A year-end dividend of ¥40.0 per share for the fiscal year ended March 31, 2008 included a commemorative dividend of ¥4.0 per share on the occasion of the Company's 50th anniversary.

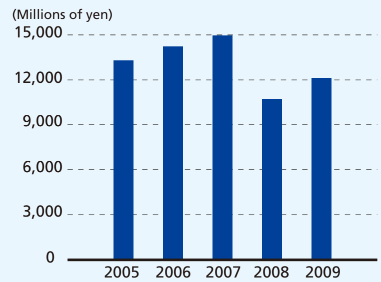
Volume of business



Revenues



Net income



CONTENTS

Forward-Looking Statements
This annual report contains forward-looking statements about the future plans, strategies, beliefs and performance of Hitachi Capital and its subsidiaries. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on information currently available to the Company and are subject to a number of risks, uncertainties and assumptions, which, without limitation, include economic trends, competition in markets where the Company is active, personal consumption, market demand, the tax system and other legislation. As such, actual results may differ materially from those projected.

Basic Management Policy

MANAGEMENT PHILOSOPHY

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

1. Sustainable Growth
2. Respect for Human Dignity
3. Implementation of Corporate Ethics

ACTION GUIDELINES

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

1. Aiming for reliable and trusted management
2. Trying to cultivate our own services and products
3. Achieving customer satisfaction taking pride and joy in our work

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.

1. "Basics" and "the Right Path"
2. "Stand on One's Own" and "Coexistence"
3. "Quality" and "Development"

Our Business Lines

Financial services

Financial services are based on "products" and include operating leases and credit with residual value besides finance leases.

Commission services

Commission services are focused on management and consignment of products and include services leveraging our goods management know-how acquired from lease transactions, as well as outsourcing business and credit guarantee business such as the collection of accounts receivable and settlement of accounts payable, focusing on the flow of goods and making extensive use of our credit and collection capabilities.

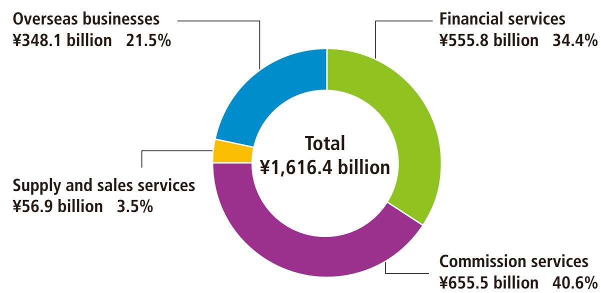
Supply and sales services

Supply and sales services are focused on the utility value and circulation of goods and include rental, auto lease and recycle and reuse transactions.

Overseas businesses

Overseas businesses include such businesses as finance leases and auto leases of overseas subsidiaries.

Volume of business
(business breakdown based on mid-term management plan)



Promoting Reforms for a Stronger Corporate Structure and Gaining Trust Through Reliable Quality

Kazuya Miura
President & CEO

As the newly appointed President of Hitachi Capital Corporation effective on April 1, 2009, I would like to extend a warm greeting to all shareholders and investors, as well as express my sincere appreciation for your support and patronage.

Overview of Fiscal 2009

Fiscal 2009, ended March 31, 2009, was positioned as the first year of the Hitachi Capital Group's new mid-term management plan focusing on business structural reforms. Performance during the year was impacted by drastic changes in the business environment, most notably, plummeting stock markets and appreciation of the yen, as a result of the global financial crisis. With regard to consolidated results, revenues totaled ¥107,943 million (US$1,101 million), down 7.9% year-on-year due to a decrease in the volume of business owing to a sharp decline in corporate capital investment, coupled with a decline in unrealized gains resulting from a change in accounting methods. Despite reductions in labor costs and other operating costs, operating income decreased 21.8% to ¥17,580 million (US$179 million) primarily attributable to an increase in bad debt write-off. Besides recording other expenses associated with the business structural reforms, other income and expenses resulting from changes in accounting methods were posted collectively in fiscal 2009, and as a result, net income increased 13.1% to ¥12,122 million (US$123 million).

In fiscal 2009, although operating income decreased due to rapid deterioration in the worldwide economy, Hitachi Capital implemented measures and made preparations to counter a further decline in the economic environment, including comprehensive treatment of impairment losses and significantly increasing liquidity in hand (up ¥151,505 million year-on-year to ¥251,872 million). This also strengthened our corporate structure, enabling a flexible response to new business opportunities.

Three Major Policies Drive Rapid Reform to Stronger Corporate Structure

Hitachi Capital continues aiming to be "the No. 1 financial services company with a focus on products" in accordance with the vision of our mid-term management plan. The business environment is projected to remain severe in the foreseeable future, characterized by market contractions caused by the worldwide economic downturn and a cooling of the Japanese economy. Nonetheless, we view the present as the perfect time to rapidly reform corporate structure and establish a foothold over the next century. To this end, we have positioned fiscal 2010 as the year to create foundations for a stronger corporate structure, and have formulated the following three major policies aimed at realizing a structure that assures profitability even if the economic slump of the latter half of fiscal 2009 persists.

Three Major Policies to Strengthen Corporate Structure

1. Shift to a low-cost structure
2. Clarify a "winning business structure"
3. Invest in human resources (training and education) to nurture professionals

Major Policy 1: Shift to a low-cost structure

We will continue to execute comprehensive measures to lower the break-even point. For instance, in May 2009, we integrated our nationwide back-office functions into the Business Support Center newly established in Makuhari, Chiba Prefecture. Through this move, we seek to enhance the quality of customer services and reduce costs through the utilization of IT. We will continue with such measures in order to shift to a low-cost structure.

Major Policy 2: Clarify a "winning business structure"

We will further clarify our strategy regarding business concentration and more effectively allocate management resources by defining conventional affiliate-based financial services as "efficiency-driven business" and financial services that cultivate new customers as "effectiveness-driven business." We will promote business first and foremost based on this distinction.

In "efficiency-driven business," we will create new sales and profit-making capabilities by increasing efficiency and expanding our network of affiliates. As an example, we improved efficiency by utilizing IT to automate procedures at affiliated sales companies for applications, contracts and post-processing for automobile loans and data processing equipment leases. This increases convenience not only for Hitachi Capital but also for our affiliates and facilitates expansion of win-win, or mutually beneficial, frameworks. We are also working on new developments that leverage our strength in focusing on products, such as a new tie-up with a financial institution to market a new type of automobile loan in which Hitachi Capital handles credit guarantees and purchase agreements for the portion set as residual value.

In "effectiveness-driven business," we will cultivate new customers through efforts to hone the expertise and enhance the capabilities of each employee. Although this requires up-front investment and time before results emerge, sales capacity generated from "efficiency-driven business" will be realigned to increase personnel adept at executing sales promotion activities directly to customers. In the immediate future, we aim to raise the proportion of such personnel to around 50% of all salespersons, while also focusing on the following three goals: "strengthen regional sales," "expand lineup of services" and "invest in training and education to nurture professionals." We will further reinforce sales by enhancing our marketing approach to leading corporations in respective regions, local government and public institutions, medical and nursing organizations, and accredited agricultural businesses and professional farmers in the corporate agricultural sector as a means to cultivate new customers.

Major Policy 3: Invest in human resources (training and education) to nurture professionals

By implementing these initiatives across-the-board, the Hitachi Capital Group seeks to "clarify a 'winning business structure'." Currently, a key area of focus toward achieving this goal is to "invest in training and education to nurture professionals." For Hitachi Capital, a financial services company, training and education is synonymous with investment since personnel are viewed as human assets. In fiscal 2010, we will concentrate investment in training and education to nurture professionals who are not only well-versed in finance and financial products but who can also resolve issues from a customer perspective by utilizing their expertise in products and a wealth of information, thereby enabling the creation of solid relationships with customers.

Building a Competitive Advantage and Gaining Trust Through Reliable Quality

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 operating environment. Based on this policy, we paid a year-end dividend for the fiscal year ended March 31, 2009 of ¥18.00 (US$0.18) per share. Including an interim dividend of ¥18.00 (US$0.18) per share, our annual dividend amounted to ¥36.00 (US$0.36) per share.

I believe the uniqueness of the Hitachi Capital Group is rooted in its products and services based on our professional focus on "products," as well as in its corporate stance that seeks to gain the trust of customers and the local community through reliable quality. We are currently going back to these basics and pursuing enhanced quality in all areas, specifically, sales, collection, finance, profitability, service, organization and human resources, based on the idea that high quality is a source of competitiveness. We aim to translate the high quality that is characteristic of Hitachi Capital into a key strength.

I ask all shareholders for your continued support.

Kazuya Miura, President & CEO

Create management foundations with a competitive edge through "quality"

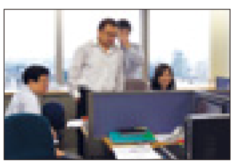
Strengthened Structure to Enhance and Expand Overseas Business

Established New Company in Thailand and Acquired Two Companies in the United Kingdom

As a core strategy of the mid-term management plan, Hitachi Capital is promoting the enhancement and expansion of overseas business. Hitachi Capital (Thailand) Co., Ltd. was established in Thailand as part of this strategy, with operations getting underway in July 2008. We will set up business infrastructure in Thailand utilizing the business model for office information equipment leasing, and thereafter plan to provide financial services including facilities leasing, medical equipment leasing and auto leasing that befit Thailand, which possesses numerous manufacturing bases.

In July 2008, Hitachi Capital (UK) PLC acquired a factoring company in the United Kingdom, which was renamed Hitachi Capital Invoice Finance Ltd. in August 2008. Merging existing businesses for leasing and credit for industrial machinery, electric home appliances and others, the company will boost management efficiency and provide good synergistic effects.

In December of the same year, as a means of pursuing expansion of its business that mainly comprises auto leasing services, Hitachi Capital Vehicle Solutions Ltd. acquired the stock of The Driving Instructor Centre Limited, which owns Robinsons Garage (Aylestone) Limited, a company for leasing vehicles to driving schools and instructors in the United Kingdom.



Reception area and office at Hitachi Capital (Thailand) Co., Ltd.

Developed New Services in Auto Financing Business

Expansion of Welfare Vehicle Business and Provision of Online Used Car Residual Value Deferred Credit Service

In the auto financing business, Hitachi Capital has developed new services tailored to customer needs to keep pace with an increase in the aged population and changes in car selection and payment methods.

In July 2008, subsidiary Hitachi Capital Auto Lease Corporation (HCA) took over business related to welfare vehicles conducted by VANELITE SATAKE Co., Ltd. to offer a comprehensive welfare vehicle service. In addition to the existing business of leasing welfare vehicles to local governments, HCA will modify ordinary vehicles into welfare vehicles and install the necessary devices, as well as sell and provide maintenance for such vehicles, plus offer rental and auto lease services. HCA currently conducts these services in the Tokai region in central Japan and plans to steadily increase the number of local bases throughout Japan.

In September 2008, Hitachi Capital launched "Goo-Raku," an online used car residual value deferred credit service, on the Internet car portal site "Goo-net"*, which boasts around 6 million hits a month. With "Goo-Raku," customers can lower their monthly payments since the most appropriate deferred price is set for each "Goo-certified car" that has a level of quality above a specified level. Another feature of the service is that customers can determine monthly payments via a payment simulation function on the "Goo-net" site. The service was first offered in the Tokyo metropolitan area in September 2008, and plans are in place to gradually expand the service throughout Japan.

*Operated by PROTO CORPORATION

Development of Environmental Business to Prevent Global Warming

Launched Carbon Offset Services

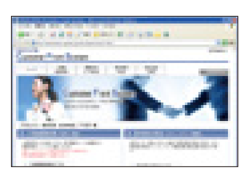
Hitachi Capital launched a "Carbon Offset Business" in November 2008 by procuring Carbon Emission Reduction (CER) certified by the United Nations. First, the "carbon offset lease" service grants CER equivalent to the amount of greenhouse gases that are estimated to be generated during the lease period in order to offset those gases. For the "carbon offset trustee service," Hitachi Capital is entrusted with handling the greenhouse gas offset needs of companies. In February 2009, we collaborated with Hitachi Consumer Marketing, Inc. and provided this service to a company that operates sport clubs.

In the future, we will continue to expand business by promoting the features of carbon offset services: (1) Eliminates cumbersome procedures for clients in obtaining and managing emission credits; (2) Allows clients to obtain carbon offsets even in small lots; and (3) Helps clients widely publicize their contribution to the prevention of global warming through their environmental report.

Increased Efficiency in Affiliate-Based Financial Services via Online System

Utilization of Customer Front System

To enhance efficiency of affiliate-based financial services positioned as efficiency-driven business, Hitachi Capital has created an online system dubbed the "Customer Front System" (CFS) in which the application for screening, credit agreement and issuance of contracts and the order form required when affiliated sales companies conclude leasing contracts with customers are provided via the Internet. The introduction of IT for business previously handled via fax or phone has shortened the time required to issue credit, minimized cumbersome data entry procedures and generally boosted convenience for sales companies. This has helped realize a win-win system by improving business efficiency for both sales companies and Hitachi Capital. As of March 31, 2009, around 3,000 companies had concluded an agreement for using the system and the number of users exceeded 15,000. Going forward, we will promote the introduction and use of CFS to more affiliated sales outlets to further raise business efficiency.



Directors

Yoshiki Yagi
Chairman of the Board

Kazuya Miura
Director

Yuichiro Shimada
Director

Akira Tsuda
Director

Kazuhiro Mori
Director

Corporate Officers

Kazuya Miura
President and
Chief Executive Officer

Yasushi Matsushita
Senior Corporate Officer,
General Manager of
Group Company Office

Keiji Momoi
Senior Corporate Officer,
General Manager of Finance
Division

Seiji Kawabe
Senior Corporate Officer,
General Manager of
Business Control Division

Shinichi Urata
Senior Corporate Officer,
General Manager of Account
Receivable Control Division

Kiyoshi Kojima
Senior Corporate Officer,
General Manager of Legal
Department

Top Management at Subsidiaries

Toshio Ohama
Okinawa Hitachi Capital Corporation

Misuo Yoshii
Hitachi Capital Servicer Corporation

Toshiyuki Mori
Hitachi Capital Services Co., Ltd.

Kenji Suzuki
Hitachi Capital Auto Lease Corporation

Masayuki Yuasa
Hitachi Capital Securities Co., Ltd.

Hiroshi Senma
Hitachi Triple Win Corp.

Kenji Hirama
Sekisui Leasing Co., Ltd.

Ryoji Sato
Hitachi Capital Insurance Corporation

Ken Ara
Hitachi Capital Ayase SC Corporation
Gontazaka Square Corp.

Hiroyuki Fukuro
Hitachi Capital Trust Corporation

Hiroshi Honda
Financial Bridge Corporation

Hironori Tozawa
Hitachi Capital (Hong Kong) Ltd.

David Anthony
Chihiro Shirai
Hitachi Capital (UK) PLC

Simon Oliphant
Hitachi Capital Vehicle Solutions Ltd.

Mark West
Robinsons Garage (Aylestone) Limited

Steven Lawler
Hitachi Capital Insurance Europe Ltd.

Steven Smith
Hitachi Capital Invoice Finance Ltd.

Yoshiyuki Kume
William Besgen
Hitachi Capital America Corp.

Seiji Yasuda
Hitachi Capital Singapore Pte. Ltd.

Seika Ryu
Hitachi Capital Leasing (China) Co., Ltd.

Fumio Kuboyama
Hitachi Capital (Thailand) Co., Ltd.

(As of August 1, 2009)

BASIC POLICY

Hitachi Capital believes the establishment of an optimal management structure to enhance corporate value serves as the cornerstone of corporate governance. In keeping with this rationale, Hitachi Capital is working to strengthen its corporate governance structure as summarized below.

1. DESCRIPTION OF INTERNAL ORGANIZATIONS

Hitachi Capital uses a committee system as part of a management structure suitable for achieving fast and fair solutions to management issues currently facing the Company as well as in addressing future issues.

As of June 24, 2009, Hitachi Capital's Board of Directors consisted of five directors, including three external directors, who normally convene monthly. As prescribed by laws, the Company's Articles of Incorporation and the regulations of the Board of Directors, it conducts decision-making on such pressing management issues as basic policies and key management strategies. The Board also undertakes the appointment of Corporate Officers, requests explanations and reports regarding executive activities when needed and ensures the proper functioning of operations.

The Nominating Committee, Audit Committee and Compensation 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 Compensation committees convene when deemed necessary to decide on matters related to resolutions to select directors and appropriate compensation of officers.

Corporate Officers (six as of June 24, 2009) elected by the Board make executive decisions and execute business affairs within the scope of authority delegated by the Board of Directors. A Corporate Officers Committee convenes monthly to make decisions on key matters.

2. COMPLIANCE STRUCTURE

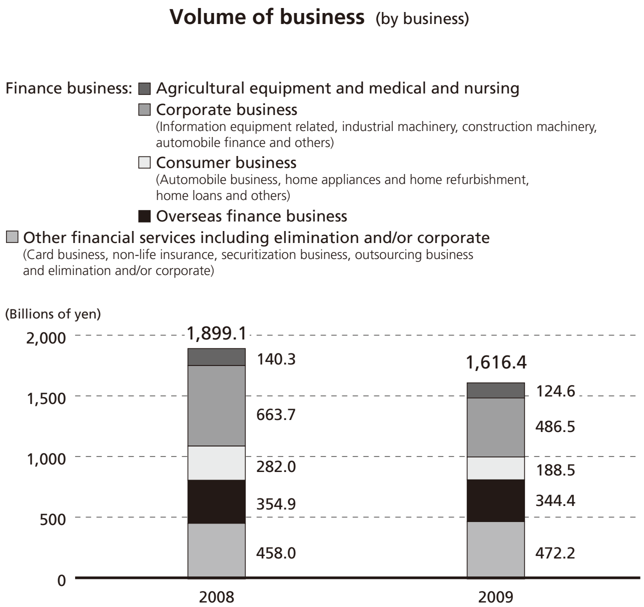
Hitachi Capital has formulated a Basic Compliance Policy to ensure effective compliance, particularly with regard to social norms that include laws or ordinances relevant to the Hitachi Capital Group as well as voluntary industry rules. A Compliance Group has been established within the Legal Department to gather information and plan, prepare and promote frameworks for legal compliance. In terms of compliance education for employees, the Group undertakes educational programs created by the Human Resources and Education Department to offer basic legal education and well-planned training tailored to employee rank as well as specialized educational training.

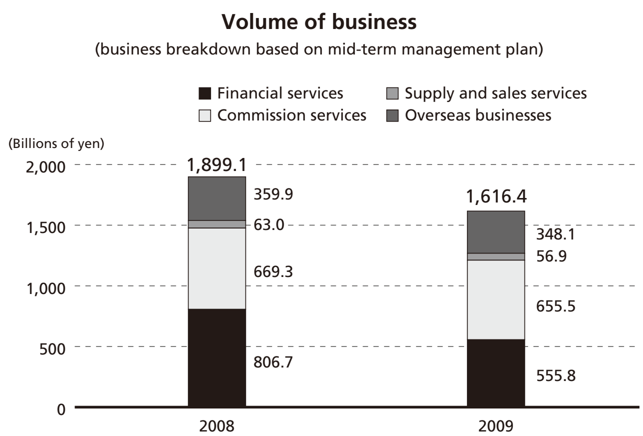
In addition, Hitachi Capital employs an internal reporting system that allows Group employees to report any illegal activities or improper conduct occurring within the Group to either an internal contact point or external legal counsel.

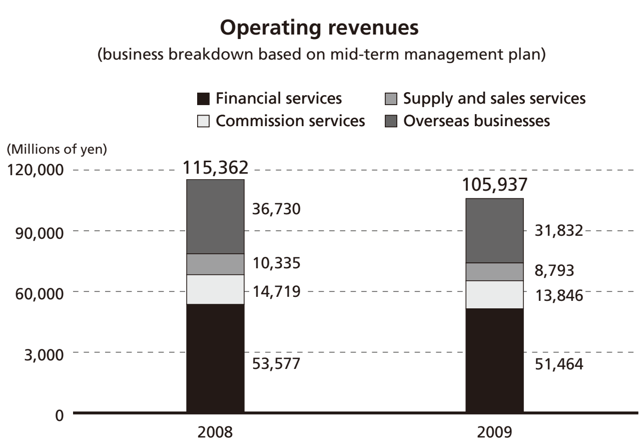
Hitachi Capital is thoroughly managing personal information and other data within the Group, while further strengthening the structure to enable operations to be conducted based on a spirit of compliance toward such industry-specific laws as the Money-Lending Business Control and Regulation Law as well as various laws that affect its business.

3. RISK MANAGEMENT STRUCTURE

Hitachi Capital has formulated Basic Policies for Risk Management as a means of clarifying basic management policies as well as the methods for addressing risks. Cognizant of the fact that accurately detecting business risks and adjusting accordingly is a core and essential competency of the financial services industry, Hitachi Capital aims to comprehensively address a variety of risks within the Group, including business risks, credit risks and compliance risks. To that end, the Company has established the Risk Management Group within the Legal Department and is working to further bolster the risk management structure.







BUSINESS RESULTS

During the fiscal year ended March 31, 2009, revenues decreased 7.9% to ¥107,943 million (US$1,101 million) primarily due to a decline in volume of business coupled with a decrease in unrealized gains owing to a change in accounting methods resulting from application of "Practical Guidelines on Accounting Standards for Financial Instruments."

Despite efforts to reduce labor costs and other operating costs, operating income declined 21.8% to ¥17,580 million (US$179 million) mainly owing to an increase in bad debt write-off.

Along with the change in accounting methods, unrealized gains on leasing receivables liquidated before the end of fiscal 2008, as well as gains or losses resulting from changes in accounting methods for affiliated loan sales transactions, installment sales and purchase of installment receivables, were all posted as other income and expenses at the beginning of fiscal 2009. In addition, Hitachi Capital recorded other expenses in the form of loss from a review of residual value associated with lease contracts for industrial machinery, and loss related to the split and transfer of the low-profit gift card business to JCB Co., Ltd., initiatives undertaken as part of business structure reforms.

As a result, net income for fiscal 2009 amounted to ¥12,122 million (US$123 million), up 13.1% year-on-year.

BUSINESS BREAKDOWN BASED ON NEW MID-TERM MANAGEMENT PLAN

Financial Services

In financial services, consolidated volume of business amounted to ¥555,852 million (US$5,671 million) for fiscal 2009, down 31.1% year-on-year, primarily as a result of a decline in leasing demand owing to the economic downturn in Japan. Consolidated operating revenues were ¥51,464 million (US$525 million), down 3.9%, mainly attributable to a decrease in unrealized gains in line with a change in accounting methods regarding liquidation of leasing receivables.

Commission Services

In commission services, consolidated volume of business for fiscal 2009 amounted to ¥655,515 million (US$6,688 million), down 2.1% year-on-year, primarily due to a decline in affiliated loan sales transactions resulting from slumping automobile sales. Consolidated operating revenues were ¥13,846 million (US$141 million), down 5.9%.

Supply and Sales Services

In supply and sales services, consolidated volume of business for fiscal 2009 amounted to ¥56,932 million (US$580 million), down 9.7% year-on-year, as a result of a decrease in new automobile lease transactions. Consolidated operating revenues were ¥8,793 million (US$89 million), down 14.9%, mainly attributable a reduction in gains from sales of automobiles upon expiration of lease.

Overseas

In overseas operations, consolidated volume of business for fiscal 2009 amounted to ¥348,161 million (US$3,552 million), down 3.3% year-on-year, due to the impact of the economic downturn and appreciation of the yen, particularly in the United Kingdom and United States. Consolidated operating revenues were ¥31,832 million (US$324 million), down 13.3%.

PER SHARE INDICES AND ROE/ROA

Consolidated net income per share increased 13.1% year-on-year to

¥103.71 (US$1.05) owing to an increase in net income. Annual cash dividends per share were ¥36.00 (US$0.36), with a payout ratio of 34.7% (consolidated). ROE was 5.1% and ROA* was 0.57%.

*Total assets decreased significantly in fiscal 2009 (April 1, 2008 to March 31, 2009) since liquidated transactions that meet requirements for dissolution as financial assets were processed as trading transactions.

FINANCIAL POSITION

As of March 31, 2009, total assets amounted to ¥1,790,497 million (US$18,270 million), down ¥657,294 million from the previous fiscal year-end. This was primarily due to the change in accounting standards for leases. Under the new standards, "equipment held for lease," previously recorded in finance leases, is now recorded as "leasing receivables and leasing investments." Of such items, those liquidated are processed as trading transactions by dissolving the financial assets, and are balanced out with the corresponding "long-term obligation for liquidation of accounts receivables." Also, trust beneficiary rights related to credit enhancement are recorded as "short-term investments" and "investments in securities."

Total net assets at year-end increased ¥2,316 million to ¥241,394 million (US$2,463 million). This was mainly attributable to an increase in retained earnings, despite a decrease in valuation and translation adjustments reflecting the impact of the market environment in Japan and overseas. The stockholders' equity ratio rose 3.7 percentage points from the previous year-end to 13.4%.

Interest-bearing debt increased ¥97,165 million to ¥886,664 million (US$9,047 million) as a result of continued efforts to increase cash and cash equivalents.

CASH FLOWS

Cash and cash equivalents at end of year amounted to ¥251,872 million (US$2,570 million), an increase of ¥151,505 million from the previous fiscal year-end. This is in line with our policy to keep cash at hand to prepare for any contingency associated with the turmoil in today's financial markets. Cash flows for each category were as follows.

Net cash provided by operating activities was ¥42,164 million (US$430 million). This consisted mainly of such inflows as income before income taxes and minority interests of ¥21,812 million (US$222 million) and depreciation of ¥120,759 million (US$1,232 million), as well as such outflows as acquisition of equipment for lease of ¥97,128 million (US$991 million).

Net cash used in investing activities amounted to ¥7,079 million (US$72 million) primarily owing to the acquisition of stock associated with the establishment of subsidiaries and acquisition of subsidiaries.

Net cash provided by financing activities amounted to ¥117,664 million (US$1,200 million) mainly attributable to net increases in commercial paper, long-term borrowings and short-term bank loans.

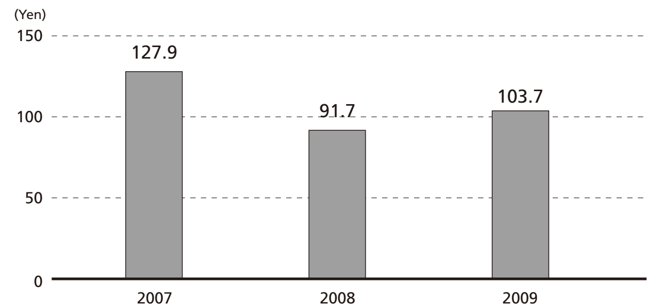
As a result, free cash flows, the sum of operating and investing cash flows, totaled ¥35,084 million (US$358 million).

BUSINESS RISK

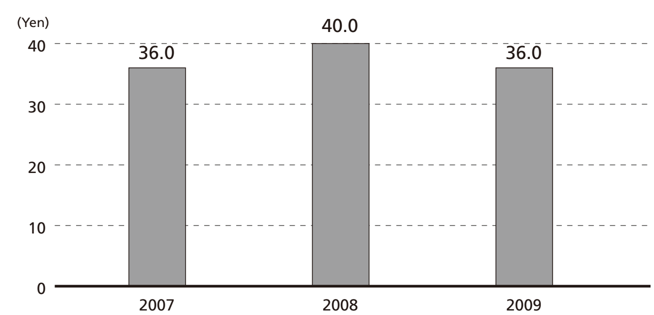
Internal Control-Related Risk

The Hitachi Capital Group has established and maintains an internal control system based on internal control resolutions, and evaluates and works to ensure the appropriateness of its internal controls through the Internal Control Committee. Nevertheless, if internal

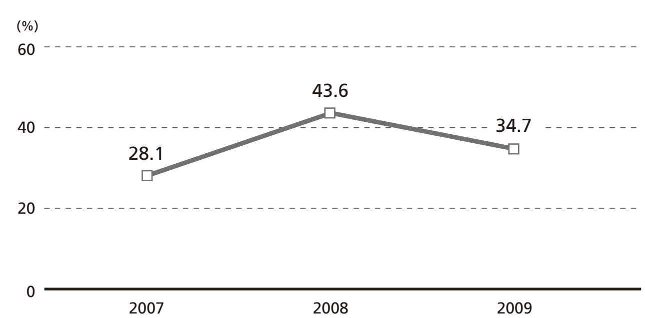
Net income per share



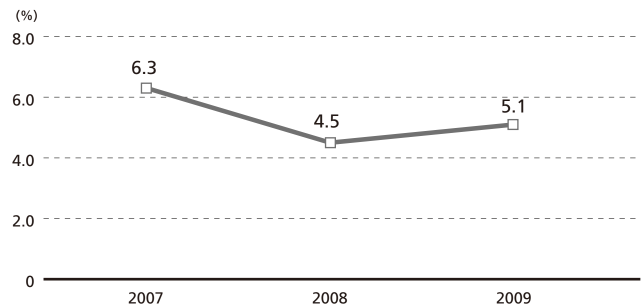
Annual cash dividends per share



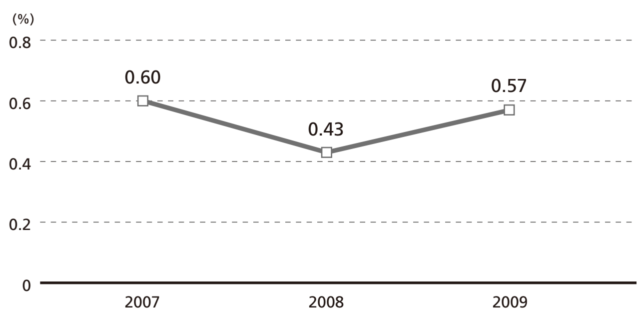
Payout ratio



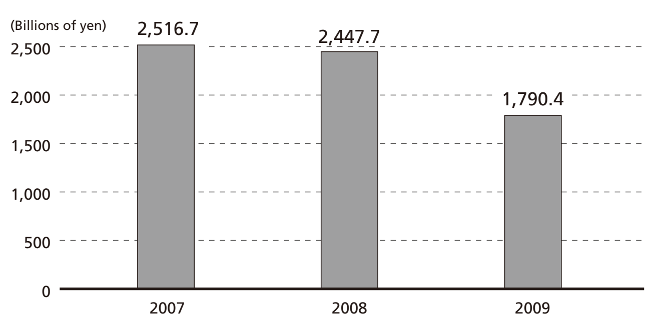
ROE



ROA*



Total assets*



*Total assets decreased significantly in fiscal 2009 (April 1, 2008 to March 31, 2009) since liquidated transactions that meet requirements for dissolution as financial assets were processed as trading transactions.

controls do not function effectively or unexpected problems arise, there could be an adverse impact on the Group's business results.

Interest Rate Risk

Since the Group provides financial services, including leasing and installment sales, it must procure large amounts of funds and carry out thorough ALM** through liquidation. A sharp rise in market interest rates, however, could cause a rise in fundraising costs and 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, there are times it may be difficult to secure the funds required, including if the creditworthiness of the Group has declined, or due to turmoil in financial markets or changes in the market environment. Additionally, the Company may be forced to procure funds when interest rates are significantly higher than normal. Factors such as these could have an adverse impact on the Group's business results.

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 conducting 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 and bad debts expenses for lease transactions.

Laws and Regulations Changes Risk

Changes in laws and regulations related to Group business could also impact results. With total enforcement of the revised Money-Lending Business Control and Regulation Law and full-scale enforcement of the revised Installment Sales Law, there could be additional costs associated with the changes, and customer demand may change. The Group has always complied with the Interest Limitation Law, so there is no direct risk of returning excess payments.

Business Structure Reform Risk

The Group is reforming its business structure in order to achieve sustainable growth. However, a delay or failure to achieve these reforms, for any reason, could have an adverse impact on the Group's business results.

Leased Assets Residual Value Risk

One of the Group's business strategies is to "provide financial services that focus on 'products'." To achieve this, we concentrate on operating leases in order to respond to changes in market demand accompanied by changes in accounting standards for finance leases. We will continue to improve our abilities and expertise in evaluating "products" and the resale of leased assets as the Group's core skills. However, there is a possibility of a decline in actual disposal value from the initial estimated value of leased property due to such factors as unexpected changes in the market environment and technological innovations.

Administrative and System Risk
The Group carries out its business activities using various information systems. Any error, including administrative or accidental human errors as well as fraudulence by employees, unauthorized access to systems or a computer virus from outside the Group, or a stoppage or breakdown of internal operating systems, could have an adverse impact on the Group's business results.

In addition, external leaks or illicit use of information concerning customers or affiliates due to similar causes may result in damage to said customers or affiliates and lead to loss of trust from society, and this could have an adverse impact on the Group's business results.

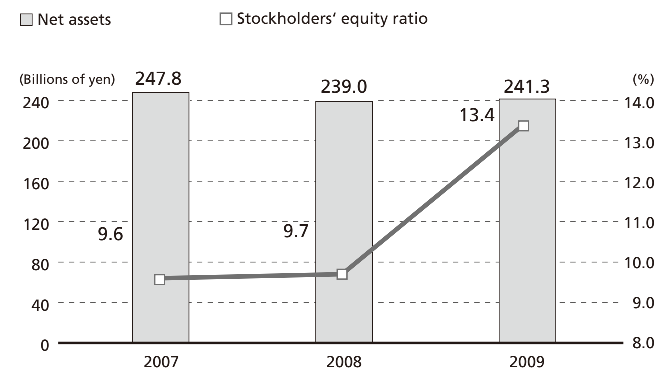
Compliance Risk
Given that the Group offers a variety of financial services, it must comply with a number of laws and regulations, such as the Installment Sales Law, the Financial Instruments and Exchange Law and the Money-Lending Business Control and Regulation Law, as well as various consumer protection and waste disposal regulations. The Company must also comply with a wide range of social rules, from internal regulations and voluntary industry rules to social ethics and norms. The Company established the Compliance Group within the Legal Department and is working to develop its compliance structure. However, failure to comply with applicable laws, regulations and social norms could have an adverse impact on the Group's business results due to criminal prosecution and loss of trust from society.

Human Resources Risk
The Group considers employees' abilities as important assets of a company and is implementing intensified recruitment, well-planned educational programs and improved training programs. However, there is a risk that the Group will not be able to secure the human resources required for business operations following reforms in cases where employees of existing businesses cannot adapt to business structural reforms, where appropriate employee placement is not conducted or where new personnel cannot be hired. Moreover, difficulties in ensuring that the Group's screening and collection management know-how and experience are effectively passed on to new employees could have an adverse impact on the Group's business results.

Business Partners-Related Risk
The Group conducts business in cooperation with numerous business partners due to the characteristics of the business. Despite thorough screening of other companies before committing to collaboration, the Group may have to shoulder responsibility in case of bankruptcy or illegal activity by a business partner, which could have an adverse impact on the Group's business results.

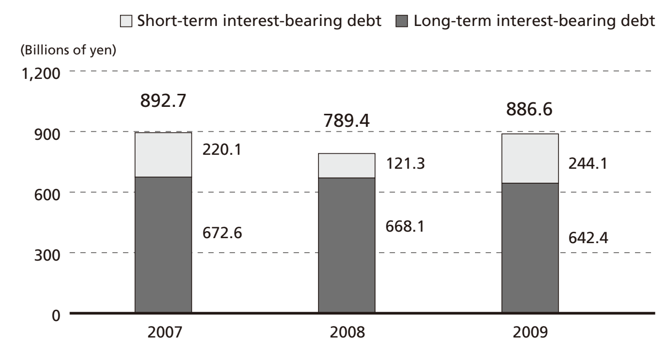
Non-Life Insurance Risk
The Group is engaged in non-life insurance business and works to reduce risks related to underwriting insurance. However, a major disaster could have an adverse impact on the Group's business due to payment of insurance claims that exceed expectations.

Net assets/stockholders' equity ratio



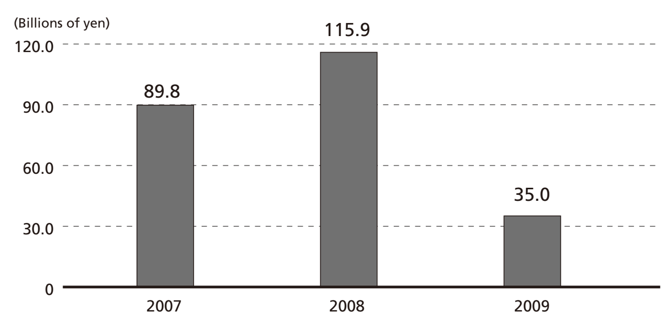
* Stockholders' equity ratio = (Net assets - Minority interests) / Total assets

Outstanding interest-bearing debt



Long-term interest-bearing debt includes current portion of loans and debt.

Free cash flows



CONSOLIDATED BALANCE SHEETS

Hitachi Capital Corporation and Subsidiaries
March 31, 2009 and 2008

	Japanese yen (millions)		U.S. dollars (thousands) (Note 2)
ASSETS	**2009**	2008	**2009**
CURRENT ASSETS:			
Cash on hand and at bank (Note 16)	**¥ 24,865**	¥ 26,358	**$ 253,724**
Trade receivables, including amounts maturing after one year	**529,657**	611,063	**5,404,663**
Investment in direct finance leases (Note 18)	**563,995**	-	**5,755,051**
Less: Allowance for losses on receivables (Notes 3 (c) and 6)	**13,374**	10,422	**136,469**
Net trade receivables	**1,080,279**	600,640	**11,023,255**
Parent company deposit (Note 16)	**227,007**	74,008	**2,316,397**
Short-term investments (Notes 3 (d), (p) and 5)	**9,122**	4,691	**93,081**
Prepaid expenses and other current assets (Notes 3 (p) and 9)	**26,741**	26,246	**272,867**
Total current assets	**1,368,015**	731,945	**13,959,336**
Equipment held for lease, at cost less accumulated depreciation (Notes 3 (f) and 18) Accumulated depreciation was ¥1,581,457 million ($16,137,316 thousand) in 2009 and ¥2,570,212 million in 2008	**245,627**	1,615,445	**2,506,397**
Investments in securities (Notes 3 (d), (p), 4 and 5)	**115,025**	47,887	**1,173,724**
Total investments	**360,653**	1,663,332	**3,680,132**
Property and equipment, at cost less accumulated depreciation	**3,974**	6,892	**40,551**
Other assets (Notes 4, 9 and 10)	**57,854**	45,621	**590,346**
Total assets	**¥ 1,790,497**	¥ 2,447,791	**$18,270,377**

See accompanying notes to consolidated financial statements.

LIABILITIES AND NET ASSETS	Japanese yen (millions) 2009	2008	U.S. dollars (thousands) (Note 2) 2009
CURRENT LIABILITIES:			
Short-term bank loans (Note 7)	**¥ 101,482**	¥ 52,071	**$ 1,035,530**
Commercial paper	**142,708**	69,236	**1,456,204**
Current portion of long-term debt (Note 7)	**192,975**	206,530	**1,969,132**
Trade payables (Note 8)	**213,824**	325,470	**2,181,877**
Accrued payable	**186,124**	-	**1,899,224**
Accrued expenses	**13,756**	14,807	**140,367**
Obligation for securitized lease receivables (Note 3 (o))	**24,289**	354,674	**247,846**
Income taxes payable (Note 9)	**15,183**	5,928	**154,928**
Allowance for losses on guarantees (Note 6)	**2,900**	3,400	**29,591**
Other current liabilities (Note 9)	**55,334**	45,938	**564,632**
Total current liabilities	**948,579**	1,078,058	**9,679,377**
Long-term debt (Note 7)	**449,498**	461,660	**4,586,714**
Retirement and severance benefits (Notes 3 (h) and 10)	**4,548**	4,902	**46,408**
Retirement benefits for directors (Note 3 (h))	**496**	881	**5,061**
Long-term obligation for securitized lease receivables (Note 3 (o))	**63,203**	625,940	**644,928**
Other liabilities (Note 9)	**82,777**	37,271	**844,663**
Total liabilities	**1,549,103**	2,208,714	**15,807,173**
NET ASSETS:			
Stockholders' equity			
Common stock:			
Authorized 270,000,000 shares; issued 116,889,715 shares in 2009 and issued 116,890,558 shares in 2008	**9,983**	9,983	**101,867**
Capital surplus	**45,972**	45,972	**469,102**
Retained earnings (Notes 3 (k) and 11)	**207,099**	198,800	**2,113,255**
Treasury stock (Notes 3 (j) and 12)	**(14,329)**	(14,328)	**(146,214)**
Total stockholders' equity (Notes 3 (q) and 11)	**248,726**	240,428	**2,538,020**
Valuation and translation adjustments			
Net unrealized holding gain on securities	**943**	994	**9,622**
Net unrealized loss on hedging derivatives	**(3,044)**	(1,750)	**(31,061)**
Foreign currency translation adjustments	**(6,534)**	(2,030)	**(66,673)**
Total valuation and translation adjustments	**(8,635)**	(2,786)	**(88,112)**
Minority interests	**1,303**	1,435	**13,295**
Total net assets (Note 3 (q))	**241,394**	239,077	**2,463,204**
Total liabilities and net assets	**¥ 1,790,497**	¥ 2,447,791	**$ 18,270,377**

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

Hitachi Capital Corporation and Subsidiaries
Years ended March 31, 2009, 2008 and 2007

	Japanese yen (millions)			U.S. dollars (thousands) (Note 2)
	2009	2008	2007	**2009**
REVENUES (Note 17):				
Operating revenues	**¥ 105,937**	¥ 115,362	¥ 114,811	**$ 1,080,989**
Interest and dividend income	**2,006**	1,823	1,181	**20,469**
	107,943	117,185	115,992	**1,101,459**
EXPENSES (Note 17):				
Selling, general and administrative expenses	**63,828**	62,439	63,849	**651,306**
Financing costs	**26,534**	32,259	27,179	**270,755**
	90,362	94,699	91,029	**922,061**
Operating income	**17,580**	22,486	24,963	**179,387**
Other income (Note 13)	**26,645**	179	1,521	**271,887**
Other expenses (Note 13)	**22,413**	2,161	137	**228,704**
Income before income taxes and minority interests	**21,812**	20,504	26,347	**222,571**
Income taxes (Notes 3 (g) and 9)	**9,705**	9,879	10,659	**99,030**
Minority interests	**(15)**	(96)	733	**(153)**
Net income	**¥ 12,122**	¥ 10,722	¥ 14,954	**$ 123,693**

	Japanese yen			U.S. dollars (Note 2)
PER SHARE DATA (Notes 3 (l) and 14):				
Net income (basic)	**¥ 103.7**	¥ 91.7	¥ 127.9	**$ 1.05**
Net income (diluted)	**—**	91.7	127.9	**—**

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Hitachi Capital Corporation and Subsidiaries
Years ended March 31, 2009, 2008 and 2007

	Japanese yen (millions)				
	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings (Notes 3 (k) and 11)	Treasury stock (Notes 3 (j) and 12)	Total stockholders' equity (Notes 3 (q) and 11)
Balance as of March 31, 2006	¥ 9,983	¥ 45,972	¥ 181,954	¥ (14,323)	¥ 223,586
Changes during the year					
Cash dividends			(4,208)		(4,208)
Directors' bonuses			(42)		(42)
Net income			14,954		14,954
Liquidation of consolidated subsidiary			(40)		(40)
Reduction of equity-method affiliates			136		136
Purchase of treasury stock				(4)	(4)
Disposal of treasury stock		0		0	0
Net change in the items other than stockholders' equity during the period					
Total change during the year	—	0	10,799	(4)	10,795
Balance as of March 31, 2007	¥ 9,983	¥ 45,972	¥ 192,754	¥ (14,327)	¥ 234,382

	Japanese yen (millions)					
	Valuation and translation adjustments					
	Net unrealized holding gain on securities	Net unrealized gain on hedging derivatives	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets (Note 3 (q))
Balance as of March 31, 2006	¥ 6,856	¥ —	¥ 370	¥ 7,227	¥ 6,173	¥ 236,987
Changes during the year						
Cash dividends						(4,208)
Directors' bonuses						(42)
Net income						14,954
Liquidation of consolidated subsidiary						(40)
Reduction of equity-method affiliates						136
Purchase of treasury stock						(4)
Disposal of treasury stock						0
Net change in the items other than stockholders' equity during the period	(2,478)	423	1,417	(636)	750	113
Total change during the year	(2,478)	423	1,417	(636)	750	10,909
Balance as of March 31, 2007	¥ 4,378	¥ 423	¥ 1,788	¥ 6,590	¥ 6,924	¥ 247,897

	Japanese yen (millions)				
	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings (Notes 3 (k) and 11)	Treasury stock (Notes 3 (j) and 12)	Total stockholders' equity (Notes 3 (q) and 11)
Balance as of March 31, 2007	¥ 9,983	¥ 45,972	¥ 192,754	¥ (14,327)	¥ 234,382
Changes during the year					
Cash dividends			(4,675)		(4,675)
Net income			10,722		10,722
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		0		0	0
Net change in the items other than stockholders' equity during the period					
Total change during the year	—	0	6,046	(1)	6,045
Balance as of March 31, 2008	¥ 9,983	¥ 45,972	¥ 198,800	¥ (14,328)	¥ 240,428

	Japanese yen (millions)					
	Valuation and translation adjustments					
	Net unrealized holding gain on securities	Net unrealized gain on hedging derivatives	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets (Note 3 (q))
Balance as of March 31, 2007	¥ 4,378	¥ 423	¥ 1,788	¥ 6,590	¥ 6,924	¥ 247,897
Changes during the year						
Cash dividends						(4,675)
Net income						10,722
Purchase of treasury stock						(1)
Disposal of treasury stock						0
Net change in the items other than stockholders' equity during the period	(3,383)	(2,174)	(3,818)	(9,376)	(5,488)	(14,865)
Total change during the year	(3,383)	(2,174)	(3,818)	(9,376)	(5,488)	(8,819)
Balance as of March 31, 2008	¥ 994	¥ (1,750)	¥ (2,030)	¥ (2,786)	¥ 1,435	¥ 239,077

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (CONTINUED)

Hitachi Capital Corporation and Subsidiaries
Years ended March 31, 2009, 2008 and 2007

	Japanese yen (millions)				
	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings (Notes 3 (k) and 11)	Treasury stock (Notes 3 (j) and 12)	Total stockholders' equity (Notes 3 (q) and 11)
Balance as of March 31, 2008	¥ 9,983	¥ 45,972	¥ 198,800	¥ (14,328)	¥ 240,428
Effect of changes in accounting policies applied to foreign subsidiary			384		384
Changes during the year					
Cash dividends			(4,208)		(4,208)
Net income			12,122		12,122
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		(0)	(0)	1	0
Net change in the items other than stockholders' equity during the period					
Total change during the year	—	(0)	7,913	(0)	7,913
Balance as of March 31, 2009	¥ 9,983	¥ 45,972	¥ 207,099	¥ (14,329)	¥ 248,726

	Japanese yen (millions)					
	Valuation and translation adjustments					
	Net unrealized holding gain on securities	Net unrealized gain on hedging derivatives	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets (Note 3 (q))
Balance as of March 31, 2008	¥ 994	¥ (1,750)	¥ (2,030)	¥ (2,786)	¥ 1,435	¥ 239,077
Effect of changes in accounting policies applied to foreign subsidiary						384
Changes during the year						
Cash dividends						(4,208)
Net income						12,122
Purchase of treasury stock						(1)
Disposal of treasury stock						0
Net change in the items other than stockholders' equity during the period	(51)	(1,293)	(4,504)	(5,849)	(131)	(5,981)
Total change during the year	(51)	(1,293)	(4,504)	(5,849)	(131)	1,931
Balance as of March 31, 2009	¥ 943	¥ (3,044)	¥ (6,534)	¥ (8,635)	¥ 1,303	¥ 241,394

	U.S. dollars (thousands) (Note 2)				
	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings (Notes 3 (k) and 11)	Treasury stock (Notes 3 (j) and 12)	Total stockholders' equity (Notes 3 (q) and 11)
Balance as of March 31, 2008	$ 101,867	$ 469,102	$ 2,028,571	$ (146,204)	$ 2,453,346
Effect of changes in accounting policies applied to foreign subsidiary			3,918		3,918
Changes during the year					
Cash dividends			(42,938)		(42,938)
Net income			123,693		123,693
Purchase of treasury stock				(10)	(10)
Disposal of treasury stock		(0)	(0)	10	0
Net change in the items other than stockholders' equity during the period					
Total change during the year	—	(0)	80,744	0	80,744
Balance as of March 31, 2009	$ 101,867	$ 469,102	$ 2,113,255	$ (146,214)	$ 2,538,020

	U.S. dollars (thousands) (Note 2)					
	Valuation and translation adjustments					
	Net unrealized holding gain on securities	Net unrealized gain on hedging derivatives	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets (Note 3 (q))
Balance as of March 31, 2008	$ 10,142	$ (17,857)	$ (20,714)	$ (28,428)	$ 14,642	$ 2,439,561
Effect of changes in accounting policies applied to foreign subsidiary						3,918
Changes during the year						
Cash dividends						(42,938)
Net income						123,693
Purchase of treasury stock						(10)
Disposal of treasury stock						0
Net change in the items other than stockholders' equity during the period	(520)	(13,193)	(45,959)	(59,683)	(1,336)	(61,030)
Total change during the year	(520)	(13,193)	(45,959)	(59,683)	(1,336)	19,704
Balance as of March 31, 2009	$ 9,622	$ (31,061)	$ (66,673)	$ (88,112)	$ 13,295	$ 2,463,204

CONSOLIDATED STATEMENTS OF CASH FLOWS

Hitachi Capital Corporation and Subsidiaries
Years ended March 31, 2009, 2008 and 2007

	Japanese yen (millions)			U.S. dollars (thousands) (Note 2)
	2009	2008	2007	**2009**
CASH FLOWS FROM OPERATING ACTIVITIES:				
Income before income taxes and minority interests	**¥ 21,812**	¥ 20,504	¥ 26,347	**$ 222,571**
Depreciation	**120,759**	550,792	553,423	**1,232,234**
Gain on transfer of lease receivables associated with change in accounting standard	**(25,703)**	—	—	**(262,275)**
Gain on change in accounting policy of revenues from installment transactions	**(895)**	—	—	**(9,132)**
Loss on change in accounting policy of revenues from affiliated loans	**7,348**	—	—	**74,979**
Bad debts expenses for lease transactions	**1,414**	—	—	**14,428**
Loss on change in accounting policy of maintenance cost for lease transactions	**646**	—	—	**6,591**
Impairment loss	**3,206**	578	—	**32,714**
Loss on valuation of investment securities	**1,001**	1,516	48	**10,214**
Provision for loss on disposal of assets for lease transactions	**5,722**	—	—	**58,387**
Loss on transfer of business	**1,403**	—	—	**14,316**
Depreciation of goodwill	**1,185**	705	653	**12,091**
Interest and dividend income	**(1,744)**	(1,546)	(977)	**(17,795)**
Interest expense	**25,252**	26,988	23,817	**257,673**
Gain on sale of securities	**(10)**	(141)	(1,197)	**(102)**
Increase in investment in financing leases	**(31,364)**	—	—	**(320,040)**
Increase in allowance for doubtful accounts	**1,094**	371	235	**11,163**
(Decrease) increase in allowance for losses on loan guarantees	**(500)**	100	(385)	**(5,102)**
(Increase) decrease in trade receivables	**(51,625)**	(55,139)	5,507	**(526,785)**
(Gain) loss on sale of equipment for lease	**(206)**	(1,008)	2,342	**(2,102)**
Acquisition of equipment for lease	**(97,128)**	(589,882)	(612,698)	**(991,102)**
Proceeds from sale of equipment for lease	**56,097**	58,367	53,410	**572,418**
(Decrease) increase in trade payables	**(39,835)**	27,629	28,565	**(406,479)**
Cash provided by asset backed securitization	**—**	1,306,386	1,231,992	**—**
Payment for asset backed securitization	**—**	(1,236,648)	(1,210,071)	**—**
Decrease in retirement and severance benefits	**(353)**	(98)	(102)	**(3,602)**
Other	**52,193**	26,844	3,697	**532,581**
Income taxes paid	**(7,605)**	(8,973)	(9,194)	**(77,602)**
Net cash provided by operating activities	**42,164**	127,347	95,412	**430,244**
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of short-term investments	**(17,786)**	—	—	**(181,489)**
Proceeds from sale of short-term investments	**15,019**	2,280	49	**153,255**
Purchase of investments in securities	**(286)**	(2,854)	(1,638)	**(2,918)**
Proceeds from sales and repayment of investment securities	**1,670**	1,292	1,119	**17,040**
Purchase of investments in subsidiaries	**(16)**	(9,712)	—	**(163)**
Purchase of investments in subsidiaries resulting in change in scope of consolidation	**(3,382)**	—	—	**(34,510)**
Purchase of equipment for company use	**(474)**	(1,901)	(2,083)	**(4,836)**
Purchase of other intangible fixed assets	**(3,904)**	(2,683)	(1,747)	**(39,836)**
Interest and dividend received	**1,644**	1,730	1,017	**16,775**
Payment for acquisition of business assets	**—**	—	(2,455)	**—**
Other	**434**	443	221	**4,428**
Net cash used in investing activities	**(7,079)**	(11,406)	(5,516)	**(72,234)**
CASH FLOWS FROM FINANCING ACTIVITIES:				
Increase (decrease) in short-term bank loans	**57,523**	5,267	(13,920)	**586,969**
Increase (decrease) in commercial paper	**76,307**	(93,714)	(63,740)	**778,642**
Proceeds from long-term borrowings	**110,935**	58,796	88,501	**1,131,989**
Payments of long-term borrowings	**(84,284)**	(44,857)	(45,769)	**(860,040)**
Issuance of bond	**109,982**	93,218	49,365	**1,122,265**
Redemption of bond	**(123,346)**	(83,774)	(80,582)	**(1,258,632)**
Interest paid	**(25,236)**	(26,976)	(22,369)	**(257,510)**
Acquisition of treasury stock	**(0)**	(1)	(4)	**(0)**
Dividends paid to stockholders	**(4,208)**	(4,675)	(4,208)	**(42,938)**
Dividends paid to minority stockholders of subsidiaries	**(8)**	(300)	(363)	**(81)**
Net cash provided by (used in) financing activities	**117,664**	(97,017)	(93,092)	**1,200,653**
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**(1,243)**	(585)	243	**(12,683)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**151,505**	18,337	(2,953)	**1,545,969**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**100,366**	82,029	84,982	**1,024,142**
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 16)	**¥ 251,872**	¥ 100,366	¥ 82,029	**$ 2,570,122**

See accompanying notes to consolidated financial statements.

(1) BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Hitachi Capital Corporation (the Company) and consolidated subsidiaries are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law of Japan.
As permitted under the Financial Instruments and Exchange Law of Japan, amounts of less than one million yen have been omitted. As a result, the totals shown in the accompanying consolidated financial statements (both in yen and in U.S. dollars) do not necessarily agree with the sums of the individual amounts.

(2) U.S. DOLLAR AMOUNTS

The consolidated financial statements are expressed in yen. Solely for the convenience of the reader, the consolidated financial statements as of and for the year ended March 31, 2009 have been translated into U.S. dollars at the rate of ¥98 to $1, the approximate exchange rate at March 31, 2009. The inclusion of such dollar amounts does not imply that the assets and liabilities, which originated in yen, have been or could readily be converted, realized or settled in dollars at ¥98 to $1 or at any other rate.

(3) SIGNIFICANT ACCOUNTING POLICIES

(a) Consolidation

The consolidated financial statements include the accounts of the Company and following majority-owned subsidiaries, which are directly or indirectly controlled:
Okinawa Hitachi Capital Corporation, Hitachi Capital Servicer Corporation, Hitachi Capital Services Co., Ltd., Hitachi Capital Auto Lease Corporation, Hitachi Capital Securities Co., Ltd., Hitachi Triple Win Corp., Sekisui Leasing Co., Ltd., Hitachi Capital Insurance Corporation, Iseki Capital Corporation, Hitachi Capital Ayase SC Corporation, Hitachi Capital Trust Corporation, Gontazaka Square Corp., Hitachi Capital (UK) PLC, Hitachi Capital Vehicle Solutions Ltd., The Driving Instructor Centre Ltd., Robinsons Garage (Aylestone) Ltd., Trowbridge Vehicle Rentals Ltd., Hitachi Capital Credit Management Ltd., Hitachi Capital Invoice Finance Ltd., Hitachi Capital Insurance Europe Ltd., Hitachi Capital Reinsurance Ltd., Hitachi Capital America Corp., Hitachi Capital (Hong Kong) Ltd., Hitachi Capital Singapore Pte. Ltd., Hitachi Capital Leasing (China) Co., Ltd., Hitachi Capital Management (Thailand) Co., Ltd., and Hitachi Capital (Thailand) Co., Ltd.

Hitachi Capital Reinsurance Ltd. and Trowbridge Vehicle Rentals Ltd. are now in liquidation.

During the year ended March 31, 2009, Industrial Equipment Finance Ltd. was liquidated. Hitachi Capital Management (Thailand) Co., Ltd., and Hitachi Capital (Thailand) Co., Ltd. were newly established. Hitachi Capital Invoice Finance Ltd., The Driving Instructor Centre Ltd. and Robinsons Garage (Aylestone) Ltd. were purchased.

Hitachi Capital Leasing (China) Co., Ltd. has a December 31 fiscal year-end. Its significant transactions during the period from its fiscal year-end to March 31, which could materially affect the Company's financial position and results of operations, have been adjusted. All significant intercompany accounts have been eliminated in consolidation. The investments in affiliates are stated at its underlying equity value. The cost in excess of net assets acquired by the Company is amortized using the straight-line method over five years in principle. As Hitachi Capital (UK) PLC became a wholly owned subsidiary of the Company, such cost in excess of the net assets acquired is amortized using the straight-line method over 20 years.

(b) Revenue Recognition

Finance Leases:
A finance lease transaction is a lease transaction in which the contract is not cancelable, by either party, during the lease term specified in the contract or any lease transaction in which the terms of the contract achieve a similar effect; and, under the contract, the lessee enjoys substantially all of the economic benefits arising from the use of the asset identified in the contract for the duration of the contract, and in return bears substantially all of the costs arising from such usage. In principle, an interest income is recorded during each fiscal period as operating revenues mainly by the interest method. In the event that the lease transaction commenced prior to April 1, 2008 in compliance with the accounting standard for lease transactions, for finance lease transactions that do not transfer ownership the total amount equivalent to interest is divided into equal amounts and recognized in each fiscal term over the lease period.

Operating Leases:
An operating lease transaction is a lease transaction other than a finance lease transaction. Lease revenue is recognized over the lease terms when lease payments become due. Lease costs, which primarily consist of depreciation expense, are generally recognized in proportion to the related lease revenue over the lease terms.

Loan guarantee arrangements:
The Company and subsidiaries provide loan guarantees to banks and other financial institutions on behalf of customers who borrow funds for the product purchase. The fees from customers are recognized at the inception of loans, when the customers pay total commissions. The amount of the guarantee commissions received from affiliated financial institutions is calculated by the interest method.

Purchase of installment receivables:
The Company and subsidiaries purchase installment receivables from retailers at the inception of the installment contracts between retailers and their customers. The payables to retailers are determined as the cash sales price of commodities, and revenue is calculated as the net of installments receivables and payables to retailers. The revenue is deferred and recognized over the installment period, when the monthly installments become due. The interest income is recorded as operating revenue by interest method and allocated to each fiscal period.

Installment credit facilities:
The customers pay commissions on installment credit facilities, which are computed at predetermined fixed rates based on the number of monthly installments. The commission revenue is deferred and recognized over the installment period, when monthly installments become due. The interest income on installment sales is recognized as operating revenue by interest method and allocated to each fiscal period.

(c) Allowance for Losses on Receivables and Guarantees
Receivables are classified into five categories based on the credit history of debtors and the allowance for losses on receivables has been provided for estimated uncollectible amounts by each category. In addition, an allowance has been provided for estimated losses arising from loan guarantees outstanding as of each balance sheet date, using the same method as receivables.

(d) Short-term Investments and Investments in Securities
The Company and subsidiaries adopted "Accounting Standards for Financial Instruments" issued by the Business Accounting Deliberation Council and the related implementation guidance issued by the Accounting Standards Board of Japan (ASBJ). Under this standard, securities are to be classified into one of the following three categories and accounted for as follows:

- Securities that are generally used with the objective of generating profits on short-term differences in price are classified as trading securities and measured at fair value, with unrealized holding gains and losses included in earnings.

- Securities that the Company and subsidiaries have positive intent and ability to hold to their maturities are classified as held-to-maturity securities and measured at amortized cost.

- Securities classified as neither trading securities nor held-to-maturity securities are classified as other securities and measured at fair value, with either unrealized holding gains and losses excluded from earnings and reported as a net amount in a separate component of net assets until realized, or unrealized holding losses included in earnings and unrealized gains excluded from earnings and reported as a net amount in a separate component of net assets until realized.

Held-to-maturity securities are amortized or accumulated to face value. Other securities with a fair value are carried at fair value with unrealized holding gains and losses excluded from earnings and reported as a net amount in a separate component of net assets until realized. Other securities without fair value are carried at cost. In computing realized gain or loss, cost of other securities was principally determined by the moving-average method.

(e) Impairment of Fixed Assets
The Company and subsidiaries adopted "Accounting Standard for Impairment of Fixed Assets" issued by the Business Accounting Deliberation Council and the related implementation guidance issued by the ASBJ. Under this standard and implementation guidance, fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When amounts of undiscounted future cash flows of fixed assets are less than the carrying amounts, the fixed assets are determined to be impaired. Then, an amount by which the carrying amount exceeds the recoverable amount is recognized as an impairment loss in earnings. The recoverable amount of fixed assets is the greater of the net selling price or the present value of the future cash flows expected to be derived from the fixed assets. The Company and consolidated subsidiaries identify groups of assets by their business units as the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

(f) Residual Value Reserves
Accumulated depreciation includes an allowance for losses on disposal of leased assets upon termination of lease contracts. The Company and subsidiaries provided for the allowance in the amount of ¥3,734 million ($38,102 thousand) and appropriated for losses on disposal of leased assets in the amount of ¥1,883 million ($19,214 thousand) for the year ended March 31, 2009. The allowance included in accumulated depreciation was ¥2,337 million ($23,846 thousand) at March 31, 2009.

(g) Income Taxes
Deferred income taxes are accounted for under the asset and liability method, and deferred tax assets and liabilities are recognized for the expected future tax consequences attributable to differences between the financial statement carrying amount of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to be applied to taxable income in the years in which those temporary differences are expected to be recovered or settled.

(h) Retirement and Severance Benefits
The Company and subsidiaries account for retirement and severance benefits in accordance with "Accounting Standard for Retirement Benefits" issued by the Business Accounting Deliberation Council. Under this standard, retirement and

severance benefits for employees are accrued based on the estimated retirement benefit obligation and the pension assets.

Retirement benefits for directors and executive officers have been reserved for the vested benefits to which they are entitled if they were to retire or sever immediately at the balance sheet date.

On March 31, 2008, retirement benefits for directors and executive officers were eliminated. The reserve balance as of March 31, 2009 is to be drawn down as directors retire, when retirement bonus payment amounts are determined.

(i) Foreign Currency Translation

The Company accounts for foreign currency transactions in accordance with "Accounting Standard for Foreign Currency Transaction" issued by the Business Accounting Deliberation Council. Under this standard, foreign currency transactions are translated into yen on the basis of the rates in effect at the transaction date or, if the relation between a foreign currency transaction and related firm forward exchange contracts meets the criteria of hedge accounting as provided in "Accounting Standards for Financial Instruments," those transactions covered by firm forward exchange contracts can be translated at such contracts rates. At year-end, monetary assets and liabilities denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, except for those, as described above, translated at related contract rates. Gains or losses resulting from the translation of foreign currencies, including gains and losses on settlement, are recognized in earnings as incurred.

The financial statements of the foreign subsidiaries are translated into the reporting currency of yen as follows: all assets and liabilities are translated at the rates of exchange in effect at the balance sheet date; net assets accounts are translated at historical rates; income and expenses are translated at an average of exchange rates in effect during the year; and a comprehensive adjustment resulting from translation of assets, liabilities and net assets is included in Minority interests and Foreign currency translation adjustments, separate components of net assets.

(j) Treasury Stock

Treasury stock is recorded at cost as a deduction of stockholders' equity. When the Company reissues the treasury shares, the difference between the issuance price and the costs of the treasury shares are accounted for as capital surplus.

(k) Appropriation of Retained Earnings

On May 1, 2006, the Japanese Corporate Law went into effect and replaced the Japanese Commercial Code. Under the Japanese Corporate Law, the Company is able to appropriate retained earnings by resolution of the Board of Directors, provided that certain criteria are met.

(l) Per Share Data

Basic net income per share is computed by dividing net income available to common stockholders by the weighted average number of shares of common shares outstanding during each year. Diluted net income per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the entity.

(m) Financial Instruments

The Company accounts for installment accounts receivable in accordance with "Accounting Standards for Financial Instruments" issued by the Business Accounting Deliberation Council. Under this standard, installment accounts receivable is recorded at fair value less unearned income.

(n) Derivative Financial Instruments

The Company and certain subsidiaries account for derivative financial instruments in accordance with "Accounting Standards for Financial Instruments" issued by the Business Accounting Deliberation Council. Under this standard, in principle, net assets or liabilities arising from derivative financial transactions are measured at fair value, with unrealized gain or loss included in earnings. Hedging transactions, which meet the criteria of hedge accounting as provided in "Accounting Standards for Financial Instruments," are accounted for using deferral hedge accounting, which requires the unrealized gain or loss to be deferred as a liability or asset until gain or loss relating to the hedge object is recognized.

Net assets or liabilities arising from derivative financial transactions are measured at fair value, except for interest rate option contracts, which are accounted for using deferral hedge accounting. In addition, certain foreign currency swap transactions and certain interest rate swap transactions are accounted for using the allocation method and the special method, respectively, which are regulated in the standard. The allocation method requires recognized foreign currency receivables or payables covered by firm foreign currency swap transactions to be translated at such swap rates. Under the special method, interest rate swap transactions are accounted for as if the interest rates under those transactions were originally applied to underlying borrowings and debentures.

(o) Securitization

The Company and subsidiaries have a number of securitization programs. Under those programs, certain financial assets such as lease receivables and trade receivables are sold to Special Purpose Entities which are funded through the issuance of asset-backed securities to investors. Among the securitizations of lease receivables that are recognized as finance leases, securitizations that satisfy the derecognition of financial assets were treated as financial transactions in the past. However, owing to the application of "Practical Guidelines on Accounting Standards for Financial Instruments" (Revision of Accounting Practice Committee Statement No. 14, March 25, 2008) from the year ended March 31, 2009, portions of leases related to the right to receive lease payments are now accounted for as sale and purchase transactions. With regard to securitizations that do not satisfy the derecognition of financial assets, the Company accounts for a transfer of investment in direct finance leases as a secured borrowing with pledge of collateral and classifies the borrowing as obligation for securitized lease receivables.

(p) Reclassification

Certain reclassifications have been made in the prior year's

consolidated financial statements to conform classifications used in the current year's financial statements.
As accrued payable that were included in the "other" section within current liabilities for the year ended March 31, 2008, exceeded 5% of total assets for the year ended March 31, 2009, these amounts have been stated individually. Accrued payable that were included in the "other" section within current liabilities for the year ended March 31, 2008, amounted to ¥9,058 million.

Agency collections of securitized receivables included in "trade payables" through the year ended March 31, 2008, are classified within accrued payable from the year ended March 31, 2009. Agency collections of securitized receivables included in accrued payable in the year ended March 31, 2009 were ¥104,300 million. Agency collections of securitized receivables indicated in trade payables in the year ended March 31, 2008, were ¥57,773 million.

Receivables related to lease agreements of overseas subsidiaries that were indicated as trade receivables for the year ended March 31, 2008, were reclassified as investment in direct finance leases from the year ended March 31, 2009. Receivables related to lease agreements of overseas subsidiaries that were indicated as trade receivables for the year ended March 31, 2008, amounted to ¥74,929 million.

From the year ended March 31, 2009, the securitizations that satisfy the derecognition of financial assets within the securitization of finance lease transactions previously included in the consolidated statements of cash flows under "cash provided by asset backed securitization" and "payment for asset backed securitization" are treated as sales and purchase transactions. In accordance with this change, cash provided by and settlement of this securitization is classified as "increase (decrease) in investment in direct finance leases" from the year ended March 31, 2009. Accordingly, the amount that was included in securitization of finance lease transactions indicated within "cash provided by asset backed securitization" and "payment for asset backed securitization" for the year ended March 31, 2008, that was not accounted for as sale and purchase transactions, cash provided by and settlement of this securitization, is included in the "other" category within "cash flows from operating activities" for the year ended March 31, 2009. Of securitization of finance lease transactions included in "other" within "cash flows from operating activities" for the year ended March 31, 2009, the amount of cash provided by and settlement of this securitization and the amount that was not accounted for as sale and purchase transactions were ¥19,745 million and negative ¥33,186 million, respectively.

(q) Application of the Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements
The Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (ASBJ PITF No. 18, May 17, 2006), is applied from the year ended March 31, 2009, and the necessary adjustments are made from the standpoint of consolidated accounting. This change has minimal impact on profits and losses.

(r) Application of the Accounting Standard for Lease Transactions
In the past, finance lease transactions that do not transfer ownership were treated for accounting purposes as operating lease transactions. However, from the year ended March 31, 2009, the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, March 30, 2007, the revised statement by the First Subcommittee of the Business Accounting Council on June 17, 1993) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16, March 30, 2009, the revised statement by the Standards Advisory Council of the Japanese Institute of Certified Public Accountants on January 18, 2009) are applied, and finance lease transactions shall be accounted for in a manner similar to the accounting for ordinary sale and purchase transactions. With respect to finance lease transactions that do not transfer ownership that commenced prior to April 1, 2008 in compliance with the accounting standard for lease transactions, the appropriate book value (less accumulated depreciation) of the fixed assets as at the balance sheet date of the accounting year preceding the initial year of implementation of this accounting standard is recognized as the value of leased assets at the beginning of the year, or the total value of the amount equivalent to interest on these investment in direct finance leases remaining after the implementation of the accounting standard is divided into equal amounts and recognized in each fiscal term over the lease period.

During the year ended March 31, 2009, the impact of these changes on operating income and income before income taxes and minority interests is minimal.

(s) Application of "Practical Guidelines on Accounting Standards for Financial Instruments" (Accounting Practice Committee Statement No. 14, revised March 25, 2008)
The "Practical Guidelines on Accounting Standards for Financial Instruments" (Accounting Practice Committee Statement No. 14, revised March 25, 2008) are applied from the year ended March 31, 2009. As a result, of the securitization of investment in direct finance leases that are recognized as finance lease transactions, securitizations that satisfy the derecognition of financial assets are treated as financial transactions in the past, however, from the year ended March 31, 2009, the portion of lease related to the right to receive lease payments are accounted for as sale and purchase transactions.

For the aforesaid sales and purchase transactions accounted for as sale and purchase transactions, as it was difficult from a practical standpoint to determine the fair value of financial components of all securitization transactions back to their date of actual securitization, these have been treated at their book values as of the beginning of the year ended March 31, 2009.

As a result of these changes, at the beginning of the year ended March 31, 2009, ¥25,703 million ($262,275 thousand) was recorded as other income, and during the year ended March 31, 2009, operating income was ¥1,908 million ($19,469 thousand) higher than they would have been under the previous method, and income before income taxes and minority interests was ¥27,612 million ($281,755 thousand) higher. The impact on the consolidated balance sheets as of the beginning of the year ended March 31, 2009, is indicated below. The impact on segment information is indicated in the appropriate section.

	Japanese yen (millions)	U.S. dollars (thousands)
	2009	2009
Current Assets	¥ (813,853)	$ (8,304,622)
Non-current Assets	65,788	671,306
Total Assets	¥ (748,065)	$ (7,633,316)
Current Liabilities	¥ (280,157)	$ (2,858,744)
Non-current Liabilities	(493,612)	(5,036,857)
Total Liabilities	¥ (773,769)	$ (7,895,602)

(t) Change in basis of recording customer fee income on installment sales and installment credit obligations

From the year ended March 31, 2009, the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, March 30, 2007, the revised statement by the First Subcommittee of the Business Accounting Council on June 17, 1993) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16, March 30, 2007, the revised statement by the Standards Advisory Council of the Japanese Institute of Certified Public Accountants on January 18, 2004) are applied. As a result, the method of recognizing lease transaction revenue changed from an equal basis to an interest method basis. In line with this change, standards for posting installment sale and installment credit obligation that are similar to commercial substance, such as customer fee income on lease transaction, changed from installment basis to revenue based on the interest method. As a result of this change, as of the beginning of the year ended March 31, 2009, the difference between the posted revenue amount resulting from customer fees on an installment basis and revenue based on the interest method amounted to installment sales of ¥379 million ($3,867 thousand), installment credit obligations of ¥516 million ($5,265 thousand) being posted as other income. In addition, compared with the previous method, installment sales pushed up operating income in the year ended March 31, 2009, by ¥16 million ($163 thousand), and raised income before income taxes and minority interests by ¥395 million ($4,030 thousand); and installment credit obligations in the year ended March 31, 2009, raised operating income by ¥170 million ($1,734 thousand) and increased income before income taxes and minority interests by ¥687 million ($7,010 thousand). The impact on segment information is indicated in the appropriate section.

(u) Change in basis of recording revenue from financial institution guarantees on loan sales through alliances

Revenue from loan sales through alliances comprises guarantee fees received from customers and guarantee commissions received from affiliated financial institutions over the installment period. In the past, guarantee fees received from customers and guarantee commissions received were recorded in a lump sum on a sales basis, and after costs were covered through a reserve allowance. However, owing to the application of the "Accounting Standard for Lease Transactions" and the "Guidance on Accounting Standard for Lease Transactions" from the year ended March 31, 2009, transactions similar to lease transactions, such as the recording of customer fee income on installment sales and installment credit obligations, was changed to recording of revenue based on the interest method. Accordingly, as commercial substance for commissions received from affiliated financial institutions over the installment period are in line with installment sales and installment credit obligations, like standard for recognizing revenues from installment sales and installment credit obligations, revenue recognition was changed based on the interest method.

Owing to this change, as of the beginning of the year ended March 31, 2009, the difference between the amount recorded in a lump sum on a sales basis and the recognized revenue based on the interest method was recorded as an other expense of ¥7,348 million ($74,979 thousand). Compared with the previous method, in the year ended March 31, 2009, this change had the effect of reducing operating income by ¥908 million ($9,265 thousand), and income before income taxes and minority interests by ¥8,257 million ($84,255 thousand). The impact on segment information is indicated in the appropriate section.

(v) Change in recording basis of maintenance expenses on maintenance and lease agreements

Maintenance expenses on the maintenance and lease agreements include expenses for repair and maintenance of leased vehicles undertaken by customers under lease agreements. In the past, expenses were recorded as repair and maintenance were incurred. In order for a more appropriate periodical accounting of profit and loss, from the year ended March 31, 2009, this method was changed to a monthly allocation of maintenance expenses over the lease term.

As a result of this change, as of the beginning of the year ended March 31, 2009, an other expense of ¥646 million ($6,591 thousand) was recorded. Compared with the previous method, this change had the effect of reducing operating income by ¥38 million ($387 thousand), and income before income taxes and minority interests by ¥685 million ($6,989 thousand) during the year ended March 31, 2009. The impact on segment information is indicated in the appropriate section.

(w) Application of "Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)" (ASBJ Statement No. 19, July 31, 2008)

Owing to the application of the "Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)" (ASBJ Statement No. 19, July 31, 2008) to the consolidated financial statements of consolidated fiscal years beginning on or before March 31, 2009, this standard is applied from the year ended March 31, 2009. As actuarial differences are recorded as expenses in the consolidated fiscal year ended March 31, 2009, this change had no effect on operating income or income before income taxes and minority interests for the year ended March 31, 2009. The unrecorded difference in retirement and severance benefit obligations owing to the application of this accounting standard is minimal.

(4) ASSETS DEPOSITED

As of March 31, 2009, short-term investments of ¥32 million ($326 thousand) was deposited as operating guarantees, and investments in securities of ¥6 million ($61 thousand) were pledged as a collateral for the loan of an affiliated company of Hitachi, Ltd.

As of March 31, 2008, investments in securities of ¥19 million and other assets of ¥12 million were deposited as operating guarantees. Additionally, investments in securities of ¥6 million were pledged as a collateral for the loan of an affiliated company of Hitachi, Ltd.

(5) SHORT-TERM INVESTMENTS AND INVESTMENTS IN SECURITIES

As of March 31, 2009 and 2008, the Company had no securities for trading purposes.

The following table is a summary of the amortized cost basis, gross unrealized holding gains or losses and aggregate fair value of held-to-maturity securities and other securities by major security type as of March 31, 2009 and 2008. The below-stated beneficial interest in trust of other securities with gross unrealized holding gains is primarily subordinated beneficial interest in trust held by the Hitachi Capital Group in relation to the securitization of lease receivables.

	Japanese yen (millions)			U.S. dollars (thousands)		
	Amortized cost basis	Gross gain (loss)	Aggregate fair value	Amortized cost basis	Gross gain (loss)	Aggregate fair value
	2009			2009		
Held-to-maturity securities with gross unrealized holding gains:						
Government bonds	¥ 230	¥ 7	¥ 238	$ 2,346	$ 71	$ 2,428
	¥ 230	¥ 7	¥ 238	$ 2,346	$ 71	$ 2,428
Held-to-maturity securities with gross unrealized holding losses:						
Government bonds	¥ —	¥ —	¥ —	$ —	$ —	$ —
	¥ —	¥ —	¥ —	$ —	$ —	$ —
	¥ 230	¥ 7	¥ 238	$ 2,346	$ 71	$ 2,428
Other securities with gross unrealized holding gains:						
Equity securities	¥ 657	¥ 435	¥ 1,092	$ 6,704	$ 4,438	$ 11,142
Government bonds	6,097	16	6,113	62,214	163	62,377
Beneficial interest in trust	75,745	1,920	77,665	772,908	19,591	792,500
	¥ 82,500	¥ 2,371	¥ 84,871	$ 841,836	$ 24,193	$ 866,030
Other securities with gross unrealized holding losses:						
Equity securities	¥ 4,153	¥ (769)	¥ 3,383	$ 42,377	$ (7,846)	$ 34,520
Government bonds	299	(0)	299	3,051	(0)	3,051
Corporate bonds	117	(0)	117	1,193	(0)	1,193
	¥ 4,570	¥ (769)	¥ 3,800	$ 46,632	$ (7,846)	$ 38,775
	¥ 87,071	¥ 1,601	¥ 88,672	$ 888,479	$ 16,336	$ 904,816

	Japanese yen (millions)		
	Amortized cost basis	Gross gain (loss)	Aggregate fair value
	2008		
Held-to-maturity securities with gross unrealized holding gains:			
Government bonds	¥ 422	¥ 9	¥ 431
	¥ 422	¥ 9	¥ 431
Held-to-maturity securities with gross unrealized holding losses:			
Government bonds	¥ 8	¥ (0)	¥ 8
	¥ 8	¥ (0)	¥ 8
	¥ 430	¥ 9	¥ 440
Other securities with gross unrealized holding gains:			
Equity securities	¥ 3,187	¥ 1,851	¥ 5,039
Government bonds	1,900	13	1,914
	¥ 5,087	¥ 1,865	¥ 6,953
Other securities with gross unrealized holding losses:			
Equity securities	¥ 2,509	¥ (188)	¥ 2,321
Government bonds	1,498	¥ (0)	1,498
Other	6	(0)	5
	¥ 4,014	¥ (189)	¥ 3,824
	¥ 9,102	¥ 1,675	¥ 10,778

Proceeds from sale of other securities for the years ended March 31, 2009 and 2008 were ¥1,667 million ($17,010 thousand) and ¥1,282 million, respectively. The gross realized gains on the sale for the years ended March 31, 2009 and 2008 were ¥10 million ($102 thousand) and ¥141 million, respectively.

It is not practicable to estimate the fair value of investments in nonmarketable securities because of the lack of a market price and difficulty in estimating fair value without incurring excessive cost. Unlisted shares at March 31, 2009 and 2008 amounted to ¥805 million ($8,214 thousand) and ¥2,443 million, respectively. At March 31, 2009, the beneficial interest in trust amounted to ¥34,228 million ($349,265 thousand). These beneficial interests in trust consist primarily of subordinated beneficial interests in trust held in relation to the securitization of the Company's mortgage loan receivables.

Information about the contractual maturities of held-to-maturity securities and other securities with contractual maturities at March 31, 2009 is as follows:

	Japanese yen (millions)			U.S. dollars (thousands)		
	Due within one year	Due after one year through five years	Due after five years through ten years	Due within one year	Due after one year through five years	Due after five years through ten years
Debt securities:						
Government bonds	¥ **5,935**	¥ **300**	¥ **408**	$ **60,561**	$ **3,061**	$ **4,163**
Corporate bonds	**—**	**—**	¥ **117**	**—**	**—**	$ **1,193**
	¥ **5,935**	¥ **300**	¥ **525**	$ **60,561**	$ **3,061**	$ **5,357**

(6) ALLOWANCE FOR LOSSES ON RECEIVABLES AND GUARANTEES

The Company and subsidiaries provide loan guarantee arrangements on behalf of customers. The outstanding balances of such loan guarantees as of March 31, 2009 and 2008 were ¥436,153 million ($4,450,540 thousand) and ¥451,894 million, respectively. The activities in the allowance for losses on receivables and guarantees provided for the years ended March 31, 2009 and 2008 are summarized as follows:

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Balance at beginning of year	¥ **13,822**	¥ 13,856	$ **141,040**
Write-off during the year	**(7,330)**	(4,091)	**(74,795)**
Provision	**9,216**	4,516	**94,040**
The effect of translation adjustments (Note 3 (i))	**565**	(458)	**5,765**
Balance at end of year:			
Allowance for losses on receivables	**13,374**	10,422	**136,469**
Allowance for losses on guarantees	**2,900**	3,400	**29,591**
	¥ **16,274**	¥ 13,822	$ **166,061**

(7) SHORT-TERM BANK LOANS AND LONG-TERM DEBT

The weighted average interest rates on short-term bank loans outstanding at March 31, 2009 and 2008 were 1.2% and 3.3%, respectively.

Long-term debt at March 31, 2009 and 2008 consisted of the following:

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Unsecured bonds payable in Japanese yen, due from May 2009 to June 2013, interest ranging from 1.10% to 2.15%	**¥ 170,000**	¥ 205,000	**$ 1,734,693**
Unsecured bonds payable in Japanese yen (for specific institutional investors), due from August 2010 to March 2012, interest ranging from 1.28% to1.93%	**50,000**	20,000	**510,204**
Medium-term notes payable issued by Hitachi Capital America Corp., in euro-dollars, due from April 2009 to Aug 2011, interest ranging from 0.53% to 1.73%	**29,751**	38,651	**303,581**
Medium-term notes payable issued by Hitachi Capital (UK) PLC, in euro-yen, due from April 2009 to May 2013, interest ranging from 0.59% to 2.00%	**73,828**	106,650	**753,346**
Loans from banks and other financial institutions:			
Unsecured, maturing 2009-2026	**318,893**	297,888	**3,254,010**
	642,472	668,190	**6,555,836**
Less current portion	**192,975**	206,530	**1,969,122**
	¥ 449,498	¥ 461,660	**$ 4,586,714**

The weighted average interest rates on long-term loans from banks and other financial institutions outstanding at March 31, 2009 and 2008, shown above, were 2.1% and 1.8%, respectively. The aggregate annual maturities of long-term debt at March 31, 2009 were as follows:

	Japanese yen (millions)	U.S. dollars (thousands)
Years ending March 31:		
2011	¥ 106,378	$ 1,085,489
2012	152,477	1,555,887
2013	77,911	795,010
2014	48,533	495,234
2015 and thereafter	64,199	655,091
	¥ 449,498	$ 4,586,714

As is customary in Japan, both short-term and long-term bank loans are made under general agreements which provide that securities and guarantees for present and future indebtedness will be given upon request from the bank, and that the bank shall have the right, as the obligations become due or in the event of default, to offset cash deposits against obligations to the bank.

(a) Hitachi Capital America Corp. established a $400 million medium-term-note lending program with the Company's guarantee at October 29, 2003. Amounts of issues exceeding $400 million are guaranteed through separate applications. The issued note amount was $302 million as of March 31, 2009.

(b) Hitachi Capital (UK) PLC established a $1,400 million medium-term euro-note lending program at November 15, 2004. The issued note amount was $752 million as of March 31, 2009.

(8) TRADE PAYABLES

Trade payables at March 31, 2009 and 2008 were as follows:

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Notes payable	**¥ 2,460**	¥ 6,450	**$ 25,102**
Accounts payable	**211,363**	319,020	**2,156,765**
	¥ 213,824	¥ 325,470	**$2,181,877**

Trade payables represent amounts arising from purchases of installment receivables and purchases of goods and property to be sold or leased by the Company and subsidiaries. Generally, notes payable become due from 30 to 180 days after the date of issue. The most common terms of maturity are from 30 to 120 days.

(9) INCOME TAXES

Income tax expense attributable to income from continuing operations for the years ended March 31, 2009, 2008 and 2007 consists of the following:

	Japanese yen (millions)			U.S. dollars (thousands)
	2009	2008	2007	**2009**
Current	**¥ 17,069**	¥ 9,935	¥ 8,242	**$ 174,173**
Deferred	**(7,364)**	(56)	2,416	**(75,142)**
	¥ 9,705	¥ 9,879	¥ 10,659	**$ 99,030**

The Company and its domestic subsidiaries are subject to a number of taxes based on income. The aggregated statutory income tax rate for domestic companies was approximately 40.5% for the years ended March 31, 2009, and 2008.

Reconciliation between the statutory income tax rate and the effective income tax rate as a percentage of income before income taxes and minority interests is as follows:

	2009	2008
Statutory income tax rate	**40.5%**	40.5%
Per capita tax	**0.7**	0.7
Expenses not deductible for tax purposes	**1.3**	1.4
Difference in statutory tax rates of foreign subsidiaries	**(1.8)**	(3.8)
Elimination for tax credit on dividend income by consolidation	**6.2**	5.0
Depreciation of goodwill	**1.9**	1.1
Tax credits	**(0.8)**	(2.5)
Increase in valuation reserve	**(0.2)**	8.0
Dividends received and other non-taxable items excluded from calculations	**(2.2)**	(1.6)
Other	**(1.1)**	(0.6)
Effective income tax rate	**44.5%**	48.2%

The effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities as of March 31, 2009 and 2008 are presented below:

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Total gross deferred tax assets:			
Depreciation	**¥ 15,941**	¥ 1,693	**$ 162,663**
Allowance for losses on receivables	**2,888**	2,231	**29,469**
Allowance for losses on guarantees	**1,039**	1,091	**10,602**
Accrued expenses	**1,527**	1,756	**15,581**
Net operating loss carryforwards	**642**	863	**6,551**
Cumulative revenues from leasing contracts	**2,929**	633	**29,887**
Accrued business taxes	**1,097**	387	**11,193**
Prepaid expenses	**183**	232	**1,867**
Retirement and severance benefits	**23**	22	**234**
Valuation loss on other securities	**513**	853	**5,234**
Retirement benefits for directors	**200**	356	**2,040**
Bad debt write-off	**1,772**	1,171	**18,081**
Loss on transfer of business	**567**	—	**5,785**
Other	**5,451**	4,553	**55,622**
	34,779	15,847	**354,887**
Valuation allowance	**(3,054)**	(3,104)	**(31,163)**
	31,724	12,742	**323,714**
Total gross deferred tax liabilities:			
Gains and losses on lease receivable transactions	**(10,843)**	—	**(110,642)**
Net unrealized holding gain on investments in other securities	**(966)**	(754)	**(9,857)**
Temporary difference related to overseas subsidiaries and other	**(746)**	(1,402)	**(7,612)**
Prepaid pension benefit cost	**(3,286)**	(3,219)	**(33,530)**
Other	**(183)**	(1)	**(1,867)**
	(16,026)	(5,378)	**(163,530)**
Net deferred tax assets	**¥ 15,697**	¥ 7,364	**$ 160,173**

As of March 31, 2009 and 2008, no deferred tax assets were recognized for the temporary differences related to the Company's divested operation, since it is not practicable to estimate the timing of the reversals of the temporary differences.

Net deferred tax assets and liabilities as of March 31, 2009 and 2008 are reflected in the accompanying consolidated balance sheets under the following captions:

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Prepaid expenses and other current assets	**¥ 5,112**	¥ 10,203	**$ 52,163**
Other assets	**11,624**	1,004	**118,612**
Other current liabilities	**(746)**	(1,401)	**(7,612)**
Other liabilities	**(291)**	(2,442)	**(2,969)**
Net deferred tax assets	**¥ 15,697**	¥ 7,364	**$ 160,173**

(10) RETIREMENT AND SEVERANCE BENEFITS

The Company and its domestic subsidiaries have a number of pension plans to provide retirement and severance benefits to substantially all employees. Under these plans, contributions are made solely by the Company and subsidiaries.

Principal pension plans are unfunded defined benefit pension plans. Under the plans, employees are entitled to lump-sum payments based on the current rate of pay and the length of service upon retirement or termination of employment for reasons other than dismissal for cause. The liability is partially funded by contributions to trusted pension funds. Such contributions constitute funded status of the plans.

In addition to the above plans, the Company and certain subsidiaries have defined contribution plans. Also certain overseas consolidated subsidiaries have introduced defined benefit and defined contribution plans.

The funded status of the Company's pension plans as of March 31, 2009 and 2008 is summarized as follows:

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Projected benefit obligation	**¥ (40,925)**	¥ (37,764)	**$ (417,602)**
Plan assets at fair value	**30,095**	35,811	**307,091**
Funded status	**(10,830)**	(1,953)	**(110,510)**
Unrecognized actuarial loss	**21,003**	12,024	**214,316**
Unrecognized prior service cost	**(2,027)**	(2,304)	**(20,683)**
Net amount recognized in the consolidated balance sheets	**¥ 8,145**	¥ 7,766	**$ 83,112**
Amounts recognized in the consolidated balance sheets consist of:			
Prepaid benefit cost	**¥ 12,693**	¥ 12,668	**$ 129,520**
Accrued benefit cost	**(4,548)**	(4,902)	**(46,408)**
	¥ 8,145	¥ 7,766	**$ 83,112**

Net periodic benefit cost for the years ended March 31, 2009, 2008 and 2007 consisted of the following components:

	Japanese yen (millions)			U.S. dollars (thousands)
	2009	2008	2007	**2009**
Service cost, net of participants' contributions	**¥ 1,440**	¥ 1,257	¥ 1,283	**$ 14,693**
Interest cost	**1,182**	895	876	**12,061**
Expected return on plan assets for the period	**(1,330)**	(1,128)	(983)	**(13,571)**
Amortization of actuarial loss	**1,203**	617	713	**12,275**
Amortization of prior service cost	**(277)**	(277)	(285)	**(2,826)**
Net periodic benefit cost	**2,218**	1,364	1,604	**22,632**
Contributions to the defined contribution pension plan	**¥ 346**	¥ 221	¥ 226	**$ 3,530**

Other than the above net periodic benefit cost, the Company paid extra retirement payments of ¥1,587 million. The amount is recorded as an other expense.

Actuarial assumptions and the basis used in accounting for the Company's plans are principally as follows:

a. Discount rates were 2.1 to 2.5% for the years ended March 31, 2009, 2008 and 2007. The rate was 7.1% for overseas subsidiaries.
b. Expected rates of return were 3.0% for the years ended March 31, 2009, 2008 and 2007. The rate was 6.7% for overseas subsidiaries.
c. Actuarial loss is amortized using the straight-line method over 5 to 22 years, which is within the estimated average remaining service years of employees.
d. Prior service cost is amortized using the straight-line method over 11 to 19 years, which is within the estimated average remaining service years of employees.

(11) STOCKHOLDERS' EQUITY

At March 31, 2009, 57.5% of the outstanding capital stock of the Company was directly owned by Hitachi, Ltd.

The Company has authorized to issue 270,000,000 shares of common stock.

The Japanese Corporate Law went into effect on May 1, 2006, replacing the Japanese Commercial Code. It is applicable to events or transactions of companies in Japan occurring on or after May 1, 2006 and for fiscal years ending on or after May 1, 2006. The Japanese Corporate Law stipulates that the amounts actually paid in or provided in consideration for newly issued stocks shall be recorded as common stock. However, it also allows 50% or less of such amounts to be recorded as additional paid-in capital. The Japanese Corporate Law requires that an amount equal to 10% of dividends be appropriated to the legal reserve. However, such appropriation cannot be made if the aggregate amount of the legal reserve exceeds 25% of common stock (i.e., the aggregate amount of the Company's legal reserve has already reached 25% of its common stock). Directors' bonuses are charged to income in the fiscal year in which they are accrued, although some subsidiaries previously conventionally accounted for them as appropriation of retained earnings in accordance with Japanese customary practices.

The accompanying consolidated financial statements do not include any provision for the semiannual dividend of ¥18.00 ($0.18) per share totaling ¥36.00 ($0.36) subsequently proposed by the Board of Directors with respect to the fiscal year ended March 31, 2009.

(12) TREASURY STOCK

The Japanese Corporate Law allows a company to acquire treasury stock upon shareholders' approval to the extent that sufficient distributable funds are available. If the Board of Directors' authority is stated in the articles of incorporation, a company is allowed to acquire treasury stock not upon shareholders' approval but Board of Directors' approval. In this connection, acquisition of treasury stock is allowed under the Company's articles of incorporation.

Pursuant to the provisions of the Japanese Corporate Law, shareholders may request the company to acquire their shares less than a minimum trading lot as shares less than a minimum trading lot cannot be publicly traded and such a shareholder holding less than a minimum trading lot cannot exercise a voting right and other shareholders' rights except as provided in the Japanese Corporate Law or the articles of incorporation. The Japanese Corporate Law also states that a shareholder holding shares less than a minimum trading lot may request the company to sell its treasury stock, if any, to the shareholder up to a minimum trading lot if entitled under the articles of incorporation. In this connection, sale of treasury stock is allowed under the Company's articles of incorporation.

The changes in treasury stock for the years ended March 31, 2009, 2008 and 2007 are summarized as follows:

	Japanese yen (millions)		U.S. dollars (thousands)
	Number of shares	Amount	Amount
Balance as of March 31, 2006	7,933,573	¥ 14,323	
Acquisition for treasury stock	1,822	4	
Sale of treasury stock	16	0	
Balance as of March 31, 2007	7,933,379	¥ 14,327	
Acquisition for treasury stock	722	1	
Sale of treasury stock	107	0	
Balance as of March 31, 2008	7,935,994	¥ 14,328	$ 146,204
Acquisition for treasury stock	1,522	1	10
Sale of treasury stock	679	0	0
Balance as of March 31, 2009	7,936,837	¥ 14,329	$ 146,214

(13) OTHER INCOME AND OTHER EXPENSES

The details of other income and other expenses for the years ended March 31, 2009 and 2008 are as follows:

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Gain on transfer of lease receivables associated with change in accounting standard	**¥ 25,703**	¥ —	**$ 262,275**
Gain on change in accounting policy of revenues from installment transactions	**895**	—	**9,132**
Other	**45**	179	**459**
Other Income	**¥ 26,645**	¥ 179	**$ 271,887**

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Loss on change in accounting policy of revenues from affiliated loans	**¥ 7,348**	¥ —	**$ 74,979**
Bad debts expenses for lease transactions	**1,414**	—	**14,428**
Loss on change in accounting policy of maintenance cost for lease transactions	**646**	—	**6,591**
Impairment loss	**3,206**	578	**32,714**
Extra retirement payments	**1,587**	—	**16,193**
Loss on valuation of investment securities	**1,001**	1,516	**10,214**
Provision for loss on disposal of assets for lease transactions	**5,722**	—	**58,387**
Loss on transfer of business	**1,403**	—	**14,316**
Other	**81**	66	**826**
Other Expenses	**¥ 22,413**	¥ 2,161	**$ 228,704**

Bad debts expenses for lease transactions

One of the Company's business partners, a domestic semiconductor company, received acceptance of application for civil rehabilitation proceedings on September 25, 2008. The Company had provided this customer with leased testing and other equipment. However, the Company estimates that this equipment is unrecoverable, owing to the petition to commence civil rehabilitation proceedings. This amount is recorded as other expenses.

Impairment loss

The Company and its certain subsidiaries have recognized impairment losses on the assets listed below.

Category	Type	Location	Impairment Loss	
Assets slated for disposal	Buildings, structures, land	Matsudo-shi, Chiba; Yama-gun, Fukushima; Osaka-shi, Osaka	¥ 679 million	$ 6,928 thousand
Business-use asset	Leased assets	—*	¥1,540 million	$15,714 thousand
Business-use asset (consolidated subsidiary)	Leased assets	—*	¥ 871 million	$ 8,887 thousand
Business-use asset (consolidated subsidiary)	Other intangible fixed assets	Chiyoda-ku, Tokyo	¥ 115 million	$ 1,173 thousand

* As lease assets are delivered over a wide-ranging area, locations have been omitted here.

The Hitachi Capital Group principally groups business-use assets in accordance with each company's business categories. Assets or asset management groups for which independent cash flows can be estimated are grouped separately. Assets to be disposed of are grouped as individual assets.

The business-use assets are written down to value in use and recorded as impairment losses in other expenses. Value in use is calculated by discounting future cash flows using discount rates ranging from 5.1% to 12.8%.

Impairment loss on assets to be disposed of was determined by recoverable value and the difference from book value was recorded as impairment loss in other expenses for the year ended March 31, 2009. The recoverable value is estimated from the net sale or disposal value, which employs the expected sale or disposal value.

Provision for loss on disposal of assets for lease transactions

The estimated loss on disposal of assets corresponding to the estimated residual value on finance lease transactions is recorded in other expenses.

(14) NET INCOME PER SHARE INFORMATION

The reconciliation of the number of shares and the amounts used in the basic and diluted net income per share computations is as follows:

	Number of shares	
	2009	2008
Weighted average number of shares on which basic net income per share is calculated	**116,890,155**	116,890,834
Effect of dilutive securities:		
Convertible debentures	**—**	—
Number of shares on which diluted net income per share is calculated	**116,890,155**	116,890,834

	Japanese yen (millions)			U.S. dollars (thousands)
	2009	2008	2007	**2009**
Net income	**¥ 12,122**	¥ 10,722	¥ 14,954	**$ 123,693**
Appropriations for directors' bonuses	**—**	—	—	**—**
Net income on which basic net income per share is calculated	**12,122**	10,722	14,954	**123,693**
Effect of dilutive securities:				
Stock option granted by a subsidiary	**—**	(4)	(3)	**—**
Net income on which diluted net income per share is calculated	**¥ 12,122**	¥ 10,718	¥ 14,951	**$ 123,693**

	Japanese yen			U.S. dollars
Net income per share data:				
Basic	**¥ 103.7**	¥ 91.7	¥ 127.9	**$ 1.05**
Diluted	**—**	91.7	127.9	**—**

(15) RELATED PARTIES

The Company's balances with its parent company, Hitachi, Ltd., as of March 31, 2009 and 2008, and related transactions for the years ended March 31, 2009, 2008 and 2007 are summarized as follows:

	Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Balances:			
Receivables — current	**¥ 11,991**	¥ 14,728	**$ 122,357**
Parent company deposit	**227,007**	74,008	**2,316,397**
Receivables — non-current	**1,025**	1,242	**10,459**
Payables — current	**19,654**	20,788	**200,551**

	Japanese yen (millions)			U.S. dollars (thousands)
	2009	2008	2007	**2009**
Transactions:				
Revenue	**¥ 69,008**	¥ 42,298	¥ 51,314	**$ 704,163**
Purchases	**35,740**	49,560	59,238	**364,693**
Interest income	**1,087**	757	282	**11,091**

(16) CONSOLIDATED STATEMENTS OF CASH FLOWS — SUPPLEMENTARY INFORMATION

For the purpose of the statements of cash flows, the Company considers all highly liquid investments with insignificant risk of changes in value that have maturities of generally three months or less when purchased to be cash equivalents. The components of cash and cash equivalents at March 31, 2009, 2008 and 2007 were as follows:

	Japanese yen (millions)			U.S. dollars (thousands)
	2009	2008	2007	**2009**
Cash on hand and at bank	**¥ 24,865**	¥ 26,358	¥ 23,981	**$ 253,724**
Parent company deposit	**227,007**	74,008	58,048	**2,316,397**
Cash and cash equivalents	**¥ 251,872**	¥ 100,366	¥ 82,029	**$ 2,570,122**

(17) SEGMENT INFORMATION

(a) Industry Segment Information

As members of the Hitachi Group, the Company and subsidiaries provide a wide range of financial services to respond to our customers' various needs in manufacturing, commercial and consumer finance. Although there is a wide range of financial services, the Company and subsidiaries have been categorized into two segments; Finance and Other financial services.

(Changes in business categories)

The Hitachi Capital Group strives to enhance its business foundation to prepare for continuous growth. Specifically, in the area of non-life insurance the Company promotes the "finance business" area that consists mainly of a combined financing function and insurance function as core activities. In the future, the Company plans to develop more business that integrates a finance business aspect. In the "card business," by expanding the settlement services where the Company provides a finance function mainly to corporations, the Company will develop business that integrates to "finance business." As for its "securitization" and "outsourcing" businesses, in order to provide products and services that meet customers' increasingly diverse needs for financing functions, Group companies and divisions unite as one and develop cooperative sales integrated to "finance business." The Company expects this trend to continue into the future. In the past, the Company classified its finance business into four categories according to the positioning of their ancillary businesses: non-life insurance, card business, securitization service and outsourcing service. Each of these categories is closely related to the finance business. The Company has combined these categories into "finance business" segment from the year ended March 31, 2009, as the integration of these categories has been much more progressed.

	Japanese yen (millions)				
	Finance	Other financial services	Total	Elimination and/or corporate	Consolidated
			2008		
REVENUES:					
Third party revenues	¥ 109,050	¥ 7,164	¥ 116,215	¥ 970	¥ 117,185
Intersegment revenues	(204)	7,020	6,815	(6,815)	—
Total	108,846	14,184	123,030	(5,844)	117,185
EXPENSES	86,248	11,909	98,157	(3,458)	94,699
OPERATING INCOME	¥ 22,597	¥ 2,275	¥ 24,873	¥ (2,386)	¥ 22,486
Assets	¥ 2,106,876	¥ 302,195	¥ 2,409,071	¥ 38,720	¥ 2,447,791
Depreciation	548,510	252	548,762	2,030	550,792
Addition to fixed assets (tangible and intangible)	592,002	520	592,522	1,945	594,467

i) Segment categories are defined according to lines of business. (See "Management's Discussion and Analysis.") Other financial services include Credit Card business, Insurance business, Securitization business and Outsourcing business.

ii) Third party revenue of ¥970 million, shown in the column of Elimination and/or corporate represents interest and dividend income earned by the head office.

iii) Of the Expenses shown in the column of Elimination and/or corporate, ¥2,817 million represents administrative expenses of the head office.

iv) Of the Assets shown in the column of Elimination and/or corporate, ¥110,899 million mainly represents extra funds (cash and securities), long-term investments (investments in securities) and assets of the head office.

	Finance	Other financial services	Total	Elimination and/or corporate	Consolidated
	Japanese yen (millions)				
	2007				
REVENUES:					
Third party revenues	¥ 107,534	¥ 8,022	¥ 115,557	¥ 435	¥ 115,992
Intersegment revenues	96	7,039	7,135	(7,135)	—
Total	107,631	15,061	122,693	(6,700)	115,992
EXPENSES	83,342	12,740	96,082	(5,053)	91,029
OPERATING INCOME	¥ 24,289	¥ 2,321	¥ 26,610	¥ (1,646)	¥ 24,963
Assets	¥ 2,183,582	¥ 324,002	¥ 2,507,585	¥ 9,136	¥ 2,516,721
Depreciation	551,054	358	551,412	2,010	553,423
Addition to fixed assets (tangible and intangible)	614,894	537	615,431	1,096	616,528

i) Segment categories are defined according to lines of business. (See "Management's Discussion and Analysis.") Other financial services include Credit Card business, Insurance business, Securitization business and Outsourcing business.

ii) Third party revenue of ¥435 million shown in the column of Elimination and/or corporate represents interest and dividend income earned by the head office.

iii) Of the Expenses shown in the column of Elimination and/or corporate, ¥1,747 million represents administrative expenses of the head office.

iv) Of the Assets shown in the column of Elimination and/or corporate, ¥79,254 million mainly represents extra funds (cash and securities), long-term investments (investments in securities) and assets of the head office.

(b) Geographic Segment Information

	Japanese yen (millions)			U.S. dollars (thousands)
	2009	2008	2007	**2009**
Revenues				
Japan	**¥ 75,835**	¥ 80,122	¥ 80,929	**$ 773,826**
Europe and North America	**27,323**	32,635	31,291	**278,806**
Asia	**4,850**	4,500	3,800	**49,489**
Intersegment elimination	**(65)**	(72)	(89)	**(663)**
Consolidated total	**¥ 107,943**	¥ 117,185	¥ 115,992	**$ 1,101,459**
Expenses				
Japan	**¥ 58,358**	¥ 63,512	¥ 61,388	**$ 595,489**
Europe and North America	**28,515**	28,111	26,876	**290,969**
Asia	**3,554**	3,147	2,852	**36,265**
Intersegment elimination	**(65)**	(72)	(89)	**(663)**
Consolidated total	**¥ 90,362**	¥ 94,699	¥ 91,029	**$ 922,061**
Operating income				
Japan	**¥ 17,476**	¥ 16,610	¥ 19,540	**$ 178,326**
Europe and North America	**(1,191)**	4,523	4,414	**(12,153)**
Asia	**1,295**	1,352	1,007	**13,214**
Intersegment elimination	**—**	—	—	**—**
Consolidated total	**¥ 17,580**	¥ 22,486	¥ 24,963	**$ 179,387**
Assets				
Japan	**¥ 1,441,927**	¥ 2,094,253	¥ 2,153,357	**$ 14,713,540**
Europe and North America	**284,273**	299,894	314,347	**2,900,744**
Asia	**64,339**	53,722	49,118	**656,520**
Intersegment elimination	**(42)**	(78)	(101)	**(428)**
Consolidated total	**¥ 1,790,497**	¥ 2,447,791	¥ 2,516,721	**$ 18,270,377**

(Application of Practical Guidelines on Accounting Standards for Financial Instruments)

As stated in section (s) of (3) Significant Accounting Policies, the "Practical Guidelines on Accounting Standards for Financial Instruments" (Accounting Practice Committee Statement No. 14, revised March 25, 2008) are applied from the year ended March 31, 2009. Owing to this change, in the year ended March 31, 2009, revenues and operating income in Japan were each ¥1,908 million higher than they would have been under the previous method.

(Change in basis of recording customer fee income on installment sales and installment credit obligations)

As stated in section (t) of (3) Significant Accounting Policies, from the year ended March 31, 2009, the method of recognizing customer fee income on installment sales and installment credit obligations changed to an interest method. Owing to this change, in the year ended March 31, 2009, revenues and operating income in Japan were each ¥16 million higher from installment sales and ¥170 million higher from installment credit obligations than they would have been under the previous method.

(Change in basis of recording revenue from financial institution guarantees on loan sales through alliances)

As stated in section (u) of (3) Significant Accounting Policies, from the year ended March 31, 2009, the recognizing of revenue from financial institution guarantees on loan sales through alliances was change to an interest method. Owing to this change, in the year ended March 31, 2009, revenues and operating income in Japan were each ¥908 million lower than they would have been under the previous method.

(Change in basis for recording maintenance expenses related to maintenance and lease agreements)

As stated in section (v) of (3) Significant Accounting Policies, from the year ended March 31, 2009, the method of recording maintenance expenses was changed to a monthly allocation of maintenance expenses over the lease period. Owing to this change, in the year ended March 31, 2009, revenues and operating income in Japan were each ¥38 million lower than they would have been under the previous method.

(18) LEASE INFORMATION

Finance leases

Additional lease information as of and for the years ended March 31, 2009 and 2008 is as follows:

(a) Lessee

(i) Acquisition costs, accumulated depreciation and net balance of leased assets at March 31, 2009 and 2008, if they had been capitalized:

	March 31, 2009				March 31, 2008		
	Japanese yen (millions)			U.S. dollars (thousands)	Japanese yen (millions)		
	Acquisition costs	Accumulated depreciation	Net balance	Net balance	Acquisition costs	Accumulated depreciation	Net balance
Furniture and equipment	**¥ 643**	**¥ 276**	**¥ 366**	**$ 3,734**	¥ 721	¥ 181	¥ 540

(ii) Future lease payments (includes non-accrued payments on underwritten leases at year-end):

	Japanese yen (millions) 2009	Japanese yen (millions) 2008	U.S. dollars (thousands) 2009
Within one year	¥ **158**	¥ 632	$ **1,612**
Over one year	**211**	1,090	**2,153**
Total	¥ **369**	¥ 1,723	$ **3,765**

(iii) Comparison of lease payments with depreciation and interest expense, if they had been capitalized:

For the year ended March 31	Japanese yen (millions) 2009	Japanese yen (millions) 2008	U.S. dollars (thousands) 2009
Lease payments	¥ **172**	¥ 106	$ **1,755**
Depreciation	**163**	104	**1,663**
Interest expense	**4**	2	**40**

(b) Lessor

(i) The following table shows the future minimum lease receivables of financing and non-cancelable operating leases as of March 31, 2009 and acquisition costs, accumulated depreciation and net balance of leased assets at March 31, 2008 and 2007 included in equipment held for lease:

In the past, finance lease transactions that do not transfer ownership were treated for accounting purposes as operating lease transactions. However, as it was possible to apply the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, March 30, 2007, the revised statement by the First Subcommittee of the Business Accounting Council on June 17, 1993) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16, March 30, 2007, the revised statement by the Standards Advisory Council of the Japanese Institute of Certified Public Accountants on January 18, 2004) to consolidated financial statements from fiscal years commencing on or after April 1, 2008, these standards are applied from the year ended March 31, 2009, and the accounting treatment of these transactions is as for ordinary sale and purchase transactions.

March 31	Japanese yen (millions) 2009	U.S. dollars (thousands) 2009
2010	¥ **165,674**	$ **1,690,551**
2011	**128,454**	**1,310,755**
2012	**93,136**	**950,367**
2013	**60,942**	**621,857**
2014	**32,742**	**334,102**
Thereafter	**63,428**	**647,224**
Total minimum payments to be received	¥ **544,379**	$ **5,554,887**
Estimated residual value	**79,331**	**809,500**
Unearned income	¥ **(59,714)**	$ **(609,326)**
Investments in direct finance leases	¥ **563,995**	$ **5,755,051**

	March 31, 2008 Japanese yen (millions) Acquisition costs	Accumulated depreciation	Net balance	March 31, 2007 Japanese yen (millions) Acquisition costs	Accumulated depreciation	Net balance
Equipment held for lease	**¥ 2,310,760**	**¥ 1,093,954**	**¥ 1,216,806**	¥ 2,315,005	¥ 1,047,556	¥ 1,267,448

(ii) Future lease payments to be received (Includes non-accrued payments on underwritten leases at year-end):

	March 31 Japanese yen (millions)	
	2008	2007
Within one year	**¥ 396,634**	¥ 405,154
Over one year	**837,475**	881,896
Total	**¥ 1,234,109**	¥ 1,287,050

(iii) Comparison of lease income with depreciation expense and interest income:

	For the year ended March 31 Japanese yen (millions)	
	2008	2007
Lease income	**¥ 463,981**	¥ 466,290
Depreciation	**423,961**	423,673
Interest income	**37,640**	40,673

Operating leases

(a) Lessee

The Company did not have any lease contracts that need to be disclosed as non-cancelable operating leases as of March 31, 2009 and 2008.

(b) Lessor

Future lease payments to be received:

	March 31 Japanese yen (millions)		U.S. dollars (thousands)
	2009	2008	**2009**
Within one year	**¥ 42,485**	¥ 74,416	**$ 433,520**
Over one year	**63,991**	132,433	**652,969**
Total	**¥ 106,477**	¥ 206,850	**$ 1,086,500**

(19) FINANCIAL INSTRUMENTS

The Company and certain subsidiaries operate globally and are exposed to market risks arising from fluctuations in foreign currency exchange rates and interest rates. In order to mitigate those risks, the Company and certain subsidiaries enter into various derivative financial agreements, including forward exchange contracts, foreign currency swap agreements and interest rate swap agreements. Forward exchange contracts and foreign currency swap agreements are intended to mitigate risks arising from foreign currency receivables; foreign currency payables; and forecasted foreign currency transactions. Interest rate swap agreements and interest rate option contracts are intended to mitigate interest rate risk for debts. The Company and subsidiaries have no derivative financial instruments for trading purposes. In addition, the Company and subsidiaries are exposed to credit-related losses in the event of non-performance by counterparties to financial instruments and derivative financial instruments. However, it is not expected that any counterparties will fail to meet their obligations as most of the counterparties are financial institutions with high ratings.

The Company and subsidiaries have also developed hedging policies to control various aspects of derivative financial transactions including authorization levels and transaction volumes. Based on this policy, the Company and subsidiaries hedge, within certain scopes, risks arising from changes in foreign currency exchange rates and interest rates. The Company and subsidiaries periodically review the effectiveness of all hedge policies to take account of the cumulative cash flows and any changes in the market.

The fair values of derivative financial instruments are estimated on the basis of information obtained from third party financial institutions. The estimated fair values of the derivative financial instruments, excluding certain instruments, which are accounted for using deferral hedge accounting, the allocation method and the special method, by major instrument type as of March 31, 2009 and 2008 are as follows:

	Japanese yen (millions)			U.S. dollars (thousands)		
	Notional amounts	Estimated fair values	Unrealized gains (losses)	Notional amounts	Estimated fair values	Unrealized gains (losses)
		2009			**2009**	
Interest rate swap agreements:						
Floating rate to fixed rate	**¥ 18,621**	**¥ (591)**	**¥ (591)**	**$ 190,010**	**$ (6,030)**	**$ (6,030)**

	Japanese yen (millions)		
	Notional amounts	Estimated fair values	Unrealized gains (losses)
		2008	
Interest rate swap agreements:			
Floating rate to fixed rate	¥ 40,856	¥ (114)	¥ (114)

(20) COMMITMENT AND CONTINGENCIES

The Company provides certain revolving lines of credit to their credit card holders in accordance with the terms of the credit card business customer service contracts. Furthermore, the Company provides credit facilities to parties in accordance with the service agency business contracts from which temporary payments on behalf of such parties are made. In addition, the Company provides loan commitments to certain investees. The outstanding balance of the revolving lines of credit as of March 31, 2009 and 2008 are shown as follows:

	Japanese yen (millions)	U.S. dollars (thousands)
	2009	**2009**
Total revolving lines of credit available	**¥ 639,774**	**$ 6,528,306**
Amount utilized	**4,430**	**45,204**
Balance available	**¥ 635,344**	**$ 6,483,102**

	Japanese yen (millions)
	2008
Total revolving lines of credit available	¥ 650,434
Amount utilized	6,391
Balance available	¥ 644,043

A portion of the revolving lines of credit, which are pending credit approval, cannot be utilized.

Other guaranteed liabilities are as follows:
Guaranteed liabilities concerning the sale of receivables of a foreign subsidiary amounted to ¥5,053 million ($51,561 thousand) and ¥2,213 million as of March 31, 2009 and 2008, respectively.

Contingent liabilities for guarantees of employees' housing loans amounted to ¥10 million ($102 thousand) and ¥19 million as of March 31, 2009 and 2008, respectively.

(21) SPECIAL-PURPOSE ENTITIES SUBJECT TO DISCLOSURE

Effective from the fiscal year ended March 31, 2008, the Company adopted the "Implementation Guidance on Disclosures about Certain Special Purpose Entities" (Accounting Standards Board of Japan Statement No. 15, March 29, 2007). An overview of special-purpose entities subject to disclosure, an overview of transactions employed by special-purpose entities subject to disclosure and amounts of transactions with special-purpose entities subject to disclosure are provided below.

(a) Overview of Special-Purpose Entities Subject to Disclosure and Overview of Transactions Employed by Special-Purpose Entities Subject to Disclosure

To diversify their fund-raising sources and ensure stable funding, the Company and certain of its consolidated subsidiaries securitize such assets as lease receivables, notes receivable, pledged receivables and notes receivable. Some of this securitization is performed using special-purpose entities established in the Caymans, which raise funds by issuing commercial paper and through loans. A certain remainder balance is retained on a portion of transferred assets.

These special-purpose entities also acquire pledged receivables from customers. The Company has service agency business contracts in place with such special-purpose entities, and three special-purpose entities raise funds on the Company's behalf by issuing commercial paper and through loans, which are reimbursed by the Company.

The balance of transactions with four special-purpose entities as of March 31, 2009, according to these entities' most recent fiscal closing dates, amounted to total assets (simple total) of ¥170,250 million ($1,737,244 thousand) and total liabilities (simple total) of ¥170,222 million ($1,736,959 thousand).

The Company does not hold shares with voting rights in any of these special-purpose entities, nor are Company directors dispatched to any of these entities.

(b) Amounts of Transactions with Special-Purpose Entities During the Fiscal Year Ended March 31, 2009

Amounts of transactions with special-purpose entities by the Company and a subsidiary during the fiscal year ended March 31, 2009, were as follows:

	Japanese yen (millions)		U.S. dollars (thousands)		Principle gains and losses		
	Amount of principal transactions	Balance at March 31, 2009	Amount of principal transactions	Balance at March 31, 2009	Line item	Japanese yen (millions)	U.S. dollars (thousands)
Transferred assets (*1):							
Notes receivable	¥ **38,229**	¥ **6,777**	$ **390,091**	$ **69,153**	Loss on transfer	¥ **(107)**	$ **(1,091)**
Pledged receivables	**121,755**	**8,670**	**1,242,397**	**88,469**	Loss on transfer	**(324)**	**(3,306)**
Investments in direct finance leases	**—**	**184**	**—**	**1,877**	Gain on transfer	**299**	**3,051**
Loan receivables	**279,929**	**31,176**	**2,856,418**	**318,122**	Gain on transfer	**3**	**30**
Remaining balance of transferred assets (*2)	**—**	**—**	**—**	**—**	Gain on allocation	**152**	**1,551**
Service agency business (*3):							
Collected funds payable	**—**	**5,130**	**—**	**52,346**	Commission revenue on service agency business	**237**	**2,418**
Commissioned sales of commercial paper (*4)	**—**	**—**	**—**	**—**	Sales commission revenue	**70**	**714**

(*1) Transaction amounts pertaining to transferred assets are recorded at the book value of those assets at the time of transfer.

Consolidated subsidiaries hold obligations on loan receivables, as the funds that special-purpose entities subject to disclosure raise to acquire pledged receivables are borrowed from these subsidiaries. As the Company's consolidated subsidiaries are the lenders, such loan receivables are transferred to other special-purpose entities subject to disclosure, and the transactions for such transfers are recorded.

Gains or losses on transfer of transferred assets are recorded as financing costs or operating revenues.

The securitization of lease receivables is recorded as financial transactions.

(*2) The gain on distribution related to this remaining balance is posted to operating revenues.

(*3) Commission revenue on service agency business includes commissions on agency collection services and revolving lines of credit, and is posted to operating revenues.

As of March 31, 2009, the advance limit on advances for the redemption of commercial paper in line with the consigned management agreements of special-purpose entities, as well as the balance of unissued advances, was ¥340,000 million ($3,469,387 thousand).

(*4) Sales commission revenue on commissioned sales of commercial paper is posted to operating revenues.

(22) SUBSEQUENT EVENTS

No significant events occurred subsequent to the business year from April 1, 2008, through March 31, 2009.

The Board of Directors
Hitachi Capital Corporation

We have audited the accompanying consolidated balance sheets of Hitachi Capital Corporation and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of income, changes in net assets, and cash flows for each of the three years in the period ended March 31, 2009, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Hitachi Capital Corporation and consolidated subsidiaries at March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for each of the three years in the period ended March 31, 2009, in conformity with accounting principles generally accepted in Japan.

As described in Note 3 (r) to the consolidated financial statements, Hitachi Capital Corporation and consolidated subsidiaries adopted a new accounting standard for Lease Transactions effective April 1, 2008.

As described in Note 3 (s) to the consolidated financial statements, the securitization of investment in financing leases that are treated as finance lease transactions, and such securitizations that satisfy the derecognition of financial assets are accounted for as sale and purchase transactions.

As described in Note 3 (t) to the consolidated financial statements, recognition for customer fee income on installment sales and installment credit obligations was changed to the interest method.

As described in Note 3 (u) to the consolidated financial statements, revenue recognition for financial institution guarantees on loan sales through alliances was changed to the interest method.

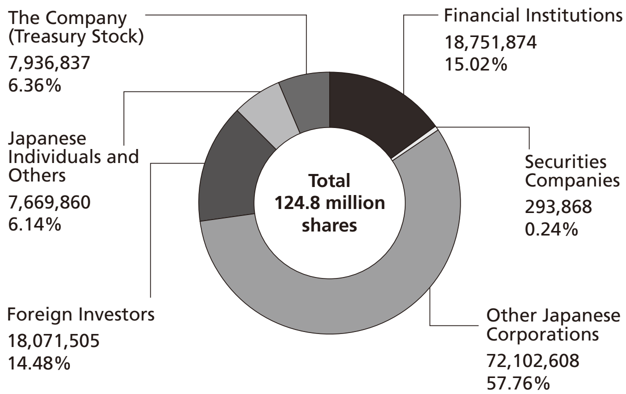
The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2009 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 2.

Ernst & Young ShinNihon LLC

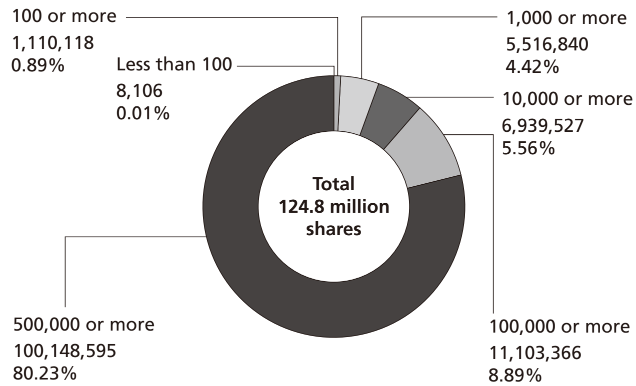
June 25, 2009

INVESTOR INFORMATION (As of March 31, 2009)

COMPOSITION OF SHAREHOLDERS (Shares)



NUMBER OF SHARES OWNED



MAJOR SHAREHOLDERS

	Number of shares owned (thousands)	Percentage of voting shares (%)
Hitachi, Ltd.	67,246	57.54
Japan Trustee Services Bank, Ltd.	9,769	8.36
The Master Trust Bank of Japan, Ltd.	2,902	2.48
Hitachi High-Technologies Corporation	2,325	1.99
Mellon Bank N.A. as agent for its client Mellon Omnibus US Pension	1,807	1.55
Citibank Hong Kong S/A Fund 115	1,335	1.14
Trust & Custody Services Bank, Ltd.	1,274	1.09
Luxembourg Offshore Jasdec Lending Account	925	0.79
Hitachi Capital Employee Shareholding Association	870	0.74
State Street Bank and Trust Company 505225	757	0.65
Total	89,214	76.34

Note: The above excludes 7,936 thousand of treasury shares held by Hitachi Capital Corporation.

CORPORATE DATA (As of March 31, 2009)

CORPORATE NAME
Hitachi Capital Corporation

FOUNDED
1957
(Incorporated in 1960)

NUMBER OF EMPLOYEES
Consolidated: 3,513

VOLUME OF BUSINESS
¥1,616,460 million

COMMON STOCK
Authorized: 270,000,000 shares
Issued: 124,826,552 shares

SHAREHOLDERS
7,350

STOCK LISTING
Tokyo Stock Exchange

CONSOLIDATED SUBSIDIARIES (As of August 1, 2009)

JAPAN

Okinawa Hitachi Capital Corporation
1-1, Kumoji 1-chome, Naha,
Okinawa 900-0015

Hitachi Capital Servicer Corporation
22-10, Shimbashi 5-chome,
Minato-ku, Tokyo 105-0004

Hitachi Capital Services Co., Ltd.
5-10 Iidabashi 1-chome,
Chiyoda-ku, Tokyo 102-0072

Hitachi Capital Auto Lease Corporation
1-11, Shimbashi 6-chome,
Minato-ku, Tokyo 105-0004

Hitachi Capital Securities Co., Ltd.
15-12, Nishi Shimbashi 2-chome,
Minato-ku, Tokyo 105-0003

Hitachi Triple Win Corp.
7-1, Nishi Shimbashi 3-chome,
Minato-ku, Tokyo 105-0003

Sekisui Leasing Co., Ltd.
13-8, Nishitenma 4-chome,
Kita-ku, Osaka, Osaka 530-0047

Hitachi Capital Insurance Corporation
1-4, Kojimachi 2-chome,
Chiyoda-ku, Tokyo 102-0083

Hitachi Capital Ayase SC Corporation
18-2, Iidabashi 2-chome,
Chiyoda-ku, Tokyo 102-0072

Hitachi Capital Trust Corporation
15-12, Nishi Shimbashi 2-chome,
Minato-ku, Tokyo 105-8712

Gontazaka Square Corp.
1-1, Gontazaka 3-chome,
Hodogaya-ku, Yokohama,
Kanagawa 240-0026

Financial Bridge Corporation
26-2, Minami Oi 6-chome,
Shinagawa-ku, Tokyo 140-8573

EUROPE AND NORTH AMERICA

Hitachi Capital (UK) PLC
Wallbrook Business Centre,
Green Lane, Hounslow,
Middlesex TW4 6NW, UK

Hitachi Capital Vehicle Solutions Ltd.
Kiln House 54A Kiln Road,
Newbury, Berkshire RG14 2NU, UK

Robinsons Garage (Aylestone) Limited
Kilby Bridge, Welford Road, Wigston,
Leicestershire LE18 3TE, UK

Hitachi Capital Insurance Europe Ltd.
4th Floor, Marsh House 25-28,
Adelaide Road, Dublin 2,
Republic of Ireland

Hitachi Capital Invoice Finance Ltd.
5 Hollinswood Court, Stafford Park 1,
Telford
Shropshire TF3 3DE, UK

Hitachi Capital America Corp.
800 Connecticut Avenue,
Norwalk, CT 06854, U.S.A.

ASIA

Hitachi Capital (Hong Kong) Ltd.
16th Floor, Wai Fung Plaza, 664
Nathan Road, Kowloon, Hong Kong

Hitachi Capital (Thailand) Co., Ltd.
All Seasons Place 87/2
Wireless Road 45/F CRC Tower,
Lumpini, Phatumwan, Bangkok 10330
Thailand

Hitachi Capital Singapore Pte. Ltd.
111 Somerset Road #11-05
Singapore 238164

Hitachi Capital Leasing (China) Co., Ltd.
Room 1509, Beijing Fortune Building.
No.5, Dong san Huan Bei-lu,
Chao Yang District, Beijing 100004,
China

Cover:

Kazoku (I) (“Family (I)”) by Hiromichi Iida, recipient of the Hitachi Capital Special Award

20th Artbility Awards

Artbility is an art bank that specializes in artworks by people with disabilities and is run by Tokyo Colony Association, a social welfare corporation. Photo stock (positive film) of artworks are loaned out for use on published and printed materials issued by companies, municipal offices and other groups. This provides the artist with an avenue for publicizing their work while also bringing financial support.

Since 1995, Hitachi Capital has sponsored the Artbility Awards, which honor the most successful artists during that year, and introduced its own Hitachi Capital Special Award in 1998. The winning artwork is used widely in advertisements and other PR materials, supporting the self-reliance of artists with disabilities.

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