

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Hitachi Capital Corporation and Subsidiaries
Years ended March 31, 2007, 2006 and 2005

	Japanese yen (millions)				
	Common stock	Capital surplus	Stockholders' equity		Total stockholders' equity (Notes 3(q) and 11)
			Retained earnings (Notes 3(k) and 11)	Treasury stock (Notes 3(j) and 12)	
Balance as of March 31, 2004	¥ 9,459	¥ 45,448	¥ 180,234	¥ (20,050)	¥ 215,092
Changes during the year					
Conversion of convertible bonds	523	523			1,046
Gain on sales of treasury stock		283			283
Retirement of treasury stock		(283)	(16,146)	7,994	(8,435)
Cash dividends			(3,887)		(3,887)
Directors' bonuses			(103)		(103)
Net income			13,287		13,287
Net change in the items other than stockholders' equity during the period			(6,849)	7,994	2,191
Total change during the year	523	523	(6,849)	7,994	2,191
Balance as of March 31, 2005	¥ 9,983	¥ 45,972	¥ 173,384	¥ (12,055)	¥ 217,284

	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
Balance as of March 31, 2004	¥ 1,732	¥ —	¥ (1,302)	¥ 430	¥ 4,623	¥ 220,146
Changes during the year						
Conversion of convertible bonds						1,046
Gain on sales of treasury stock						283
Retirement of treasury stock						(8,435)
Cash dividends						(3,887)
Directors' bonuses						(103)
Net income						13,287
Net change in the items other than stockholders' equity during the period	639	—	501	1,140	1,283	2,424
Total change during the year	639	—	501	1,140	1,283	4,616
Balance as of March 31, 2005	¥ 2,371	¥ —	¥ (800)	¥ 1,571	¥ 5,907	¥ 224,762

	Japanese yen (millions)				
	Common stock	Capital surplus	Stockholders' equity		Total stockholders' equity (Notes 3(q) and 11)
			Retained earnings (Notes 3(k) and 11)	Treasury stock (Notes 3(j) and 12)	
Balance as of March 31, 2005	¥ 9,983	¥ 45,972	¥ 173,384	¥ (12,055)	¥ 217,284
Changes during the year					
Gain on sales of treasury stock		0			0
Cumulative effect of initial application of IFRS by subsidiaries			(1,478)		(1,478)
Purchase of treasury stock				(2,267)	(2,267)
Cash dividends			(4,111)		(4,111)
Directors' bonuses			(59)		(59)
Net income			14,219		14,219
Net change in the items other than stockholders' equity during the period			8,569	(2,267)	6,302
Total change during the year	—	0	8,569	(2,267)	6,302
Balance as of March 31, 2006	¥ 9,983	¥ 45,972	¥ 181,954	¥ (14,323)	¥ 223,586

	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
Balance as of March 31, 2005	¥ 2,371	¥ —	¥ (800)	¥ 1,571	¥ 5,907	¥ 224,762
Changes during the year						
Gain on sales of treasury stock						0
Cumulative effect of initial application of IFRS by subsidiaries						(1,478)
Purchase of treasury stock						(2,267)
Cash dividends						(4,111)
Directors' bonuses						(59)
Net income						14,219
Net change in the items other than stockholders' equity during the period	4,484	—	1,171	5,656	266	5,922
Total change during the year	4,484	—	1,171	5,656	266	12,224
Balance as of March 31, 2006	¥ 6,856	¥ —	¥ 370	¥ 7,227	¥ 6,173	¥ 236,987

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (CONTINUED)

Hitachi Capital Corporation and Subsidiaries
Years ended March 31, 2007, 2006 and 2005

	Japanese yen (millions)				
	Common stock	Capital surplus	Stockholders' equity		
			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			10,799	(4)	10,795
Total change during the year	—	0	10,799	(4)	10,795
Balance as of March 31, 2007	<u>¥ 9,983</u>	<u>¥ 45,972</u>	<u>¥ 192,754</u>	<u>¥ (14,327)</u>	<u>¥ 234,382</u>

	Japanese yen (millions)					
	Valuation and translation adjustments		Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets
Net unrealized holding gain on securities	Net unrealized gain on hedging derivatives					
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	<u>¥ 4,378</u>	<u>¥ 423</u>	<u>¥ 1,788</u>	<u>¥ 6,590</u>	<u>¥ 6,924</u>	<u>¥ 247,897</u>

	U.S. dollars (thousands) (Note 2)				
	Common stock	Capital surplus	Stockholders' equity		
			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	\$ 84,601	\$ 389,593	\$ 1,541,983	\$ (121,381)	\$ 1,894,796
Changes during the year					
Cash dividends			(35,661)		(35,661)
Directors' bonuses			(355)		(355)
Net income			126,728		126,728
Liquidation of consolidated subsidiary			(338)		(338)
Reduction of equity-method affiliates			1,152		1,152
Purchase of treasury stock				(33)	(33)
Disposal of treasury stock		0		0	0
Net change in the items other than stockholders' equity during the period			91,516	(33)	91,483
Total change during the year	—	0	91,516	(33)	91,483
Balance as of March 31, 2007	<u>\$ 84,601</u>	<u>\$ 389,593</u>	<u>\$ 1,633,508</u>	<u>\$ (121,415)</u>	<u>\$ 1,986,288</u>

	U.S. dollars (thousands) (Note 2)					
	Valuation and translation adjustments		Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets
Net unrealized holding gain on securities	Net unrealized gain on hedging derivatives					
Balance as of March 31, 2006	\$ 58,101	\$ —	\$ 3,135	\$ 61,245	\$ 52,313	\$ 2,008,364
Changes during the year						
Cash dividends						(35,661)
Directors' bonuses						(355)
Net income						126,728
Liquidation of consolidated subsidiary						(338)
Reduction of equity-method affiliates						1,152
Purchase of treasury stock						(33)
Disposal of treasury stock						0
Net change in the items other than stockholders' equity during the period	(21,000)	3,584	12,008	(5,389)	6,355	957
Total change during the year	(21,000)	3,584	12,008	(5,389)	6,355	92,449
Balance as of March 31, 2007	<u>\$ 37,101</u>	<u>\$ 3,584</u>	<u>\$ 15,152</u>	<u>\$ 55,847</u>	<u>\$ 58,677</u>	<u>\$ 2,100,822</u>