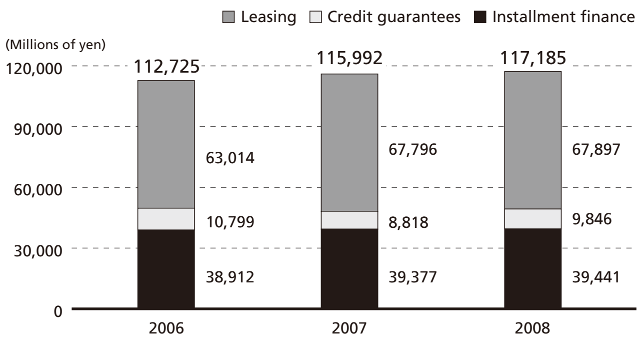
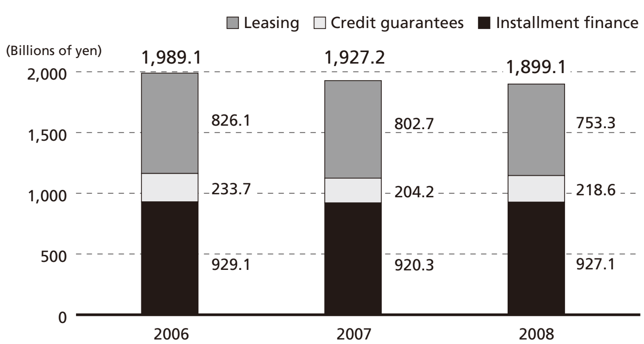
Revenues (by type of contract)

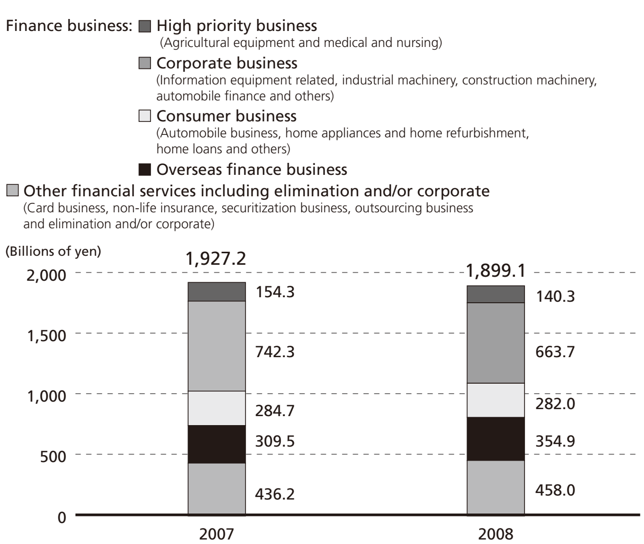


Leasing includes rental and auto leases and others.
Credit guarantees include loan sales through alliances and others.
Installment finance includes installment sales, business loans, card services and others.

Volume of business (by type of contract)



Volume of business (by product/services)



BUSINESS RESULTS

During the fiscal year ended March 31, 2008, revenues increased 1.0% to ¥117,185 million (US$1,171 million). Looking at performance by type of contract, we accumulated operating receivables of high credibility in leasing by focusing on profitability. In credit guarantees, we strengthened our automobile finance services. These and other activities were aimed at enhancing profitability.

Despite efforts to reduce selling, general and administrative expenses, operating income declined 9.9% to ¥22,486 million (US$224 million) due to an increase in financial expenses accompanying a rise in market interest rates in Japan and overseas. Net income declined 28.3% to ¥10,722 million (US$107 million). The Company posted other expenses such as loss on valuation of investments in securities associated with a stock market slowdown in the second half of the fiscal term, and impairment loss on fixed assets in line with business restructuring reforms at subsidiary Hitachi Capital Insurance Corporation. The Company implemented the subscription of shares from Hitachi Capital Insurance Corporation through a capital increase, as well as made Hitachi Capital (UK) PLC a wholly-owned subsidiary.

BY BUSINESS SEGMENT

Finance Business

The overall volume of business in the finance business declined 3.3% to ¥1,441,153 million (US$14,411 million), attributable to such factors as efforts in focusing on profitability. Revenues increased 1.1% to ¥108,846 million (US$1,088 million) due primarily to a focus on automobile finance services. However, operating income declined 7.0% to ¥22,597 million (US$225 million) owing mainly to an increase in financial expenses.

Other Financial Services

In the outsourcing business, we worked to increase the number of business customers, while focusing on trustee business, such as payroll and accounting services, and receivables collection services. As a result, the total volume of business in other financial services increased 4.5% to ¥464,902 million (US$4,649 million). Revenues declined 5.8% to ¥14,184 million (US$141 million). In line with the absorption of a subsidiary engaged in the card business in the year ended March 31, 2007, associated revenues previously recorded as intersegment transactions were not recorded for the year. Operating income fell 2.0% to ¥2,275 million (US$22 million).

PER SHARE INDICES AND ROE/ROA

Consolidated net income per share dropped 28.3% to ¥91.7 (US$0.92) due to a decrease in net income. Annual cash dividends per share were ¥40.00 (US$0.40), including a 50th anniversary commemorative dividend of ¥4.00 (US$0.04). The payout ratio was 43.6% (consolidated). ROE was 4.5% and ROA was 0.43%.

FINANCIAL POSITION

As of March 31, 2008, total assets amounted to ¥2,447,791 million (US$24,477 million), down ¥68,930 million (US$689 million) from the previous fiscal year-end. This was due primarily to decreases in trade receivables included in current assets and equipment held for lease included in fixed assets owing to the liquidation of receivables and efforts to focus on profitability.

Total net assets at year-end declined ¥8,819 million (US$88 million) to ¥239,077 million (US$2,390 million). This was due to decreases in valuation and translation adjustments reflecting the impact of the market environment in Japan and overseas and minority interests in Hitachi Capital (UK) PLC upon being made a wholly owned subsidiary, despite an increase in retained earnings of ¥6,046 million (US$60 million). The stockholders' equity ratio rose 0.1 percentage point from the previous fiscal year-end to 9.7%.

Interest-bearing debt declined ¥103,246 million (US$1,032 million) to ¥789,499 million (US$7,894 million) as a result of continued efforts to reduce outstanding debt.

CASH FLOWS

Cash and cash equivalents at end of year amounted to ¥100,366 million (US$1,003 million), an increase of ¥18,337 million (US$183 million) from the previous fiscal year-end. This is in line with our current policy to keep cash at hand given the uncertainty in today's business environment. Cash flows for each category were as follows.

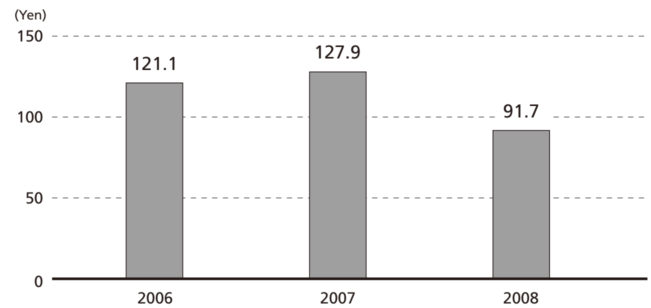
Net cash provided by operating activities was ¥127,347 million (US$1,273 million). This consisted mainly of such inflows as depreciation of ¥550,792 million (US$5,507 million), cash provided by asset backed securitization of ¥1,306,386 million (US$13,063 million), as well as such outflows as payment for asset backed securitization of ¥1,236,648 million (US$12,366 million) and acquisition of equipment for lease of ¥589,882 million (US$5,898 million).

Net cash used in investing activities was ¥11,406 million (US$114 million) due mainly to the additional acquisition of shares in Hitachi Capital (UK) PLC.

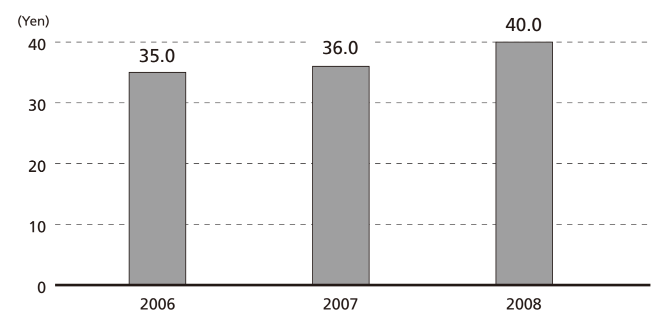
Net cash used in financing activities amounted to ¥97,017 million (US$970 million) due primarily to a reduction in interest-bearing debt.

As a result of these activities, free cash flows, the sum of operating and investing cash flows, totaled ¥115,940 million (US$1,159 million).

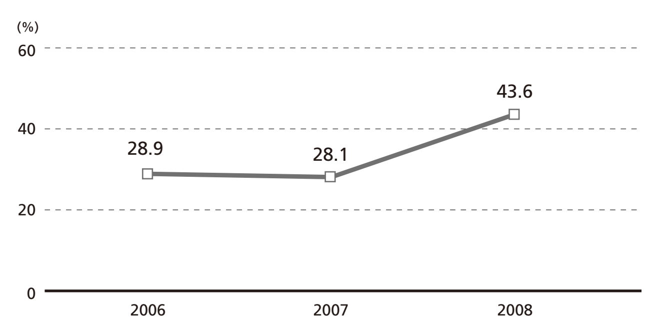
Net income per share



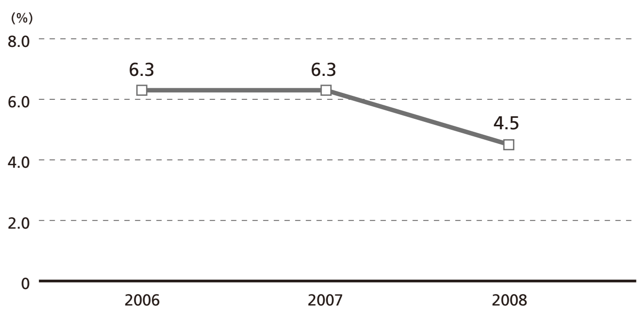
Annual cash dividends per share



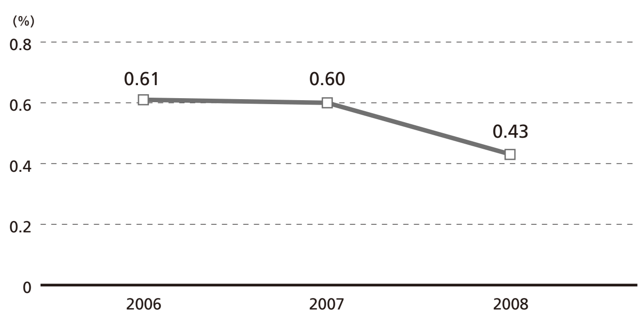
Payout ratio



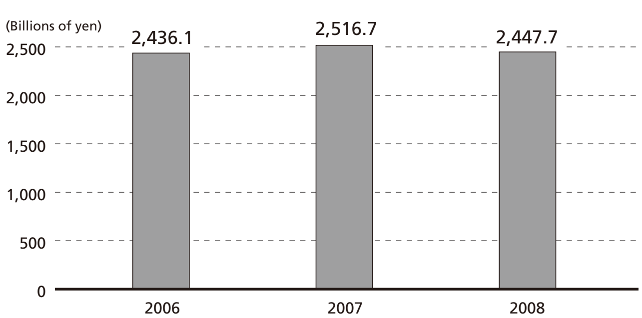
ROE



ROA



Total assets



BUSINESS RISK

Interest Rate Risk

Because the Group provides financial services, including leasing and installment financing, 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 appropriately conducts screening at the time of a contract and ascertains such factors as the state of credit when a credit receivable is being collected and makes an appropriate level of reserves. Nevertheless, deterioration in the collection of receivables along with 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 provision for allowance for losses on receivables and guarantees.

Laws and Regulations Changes Risk

Changes in laws and regulations relative to Group business could also impact results.

With the second phase of the amendments to the Money-Lending Business Control and Regulation Law in December 2007, there could be additional costs associated with the changes. The Group has always complied with the Interest Limitation Law, so there is no direct risk of returning excess payments.

New accounting standards were adopted for leases in April 2008, and lease taxation was reviewed as a result. While we will strive to add new value to our products and services with a focus on "products" in response to these changes, such changes could have an adverse impact on the Group's business results.

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.

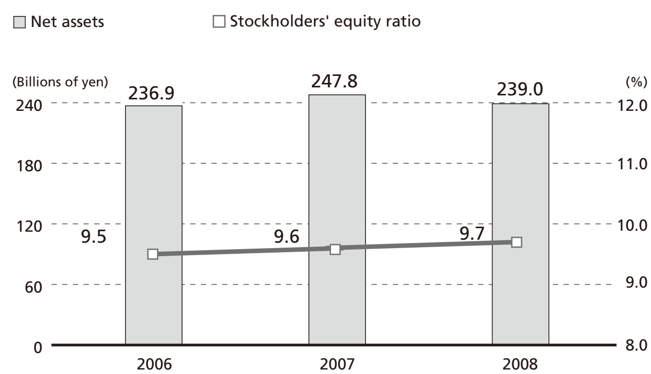
Leased Assets Residual Value Risk
One of the Group's business strategies is "Providing financial services that focus on 'products'." We will focus on operating leases in order to respond to changes in market demand accompanied by changes in accounting standards for financial leases. We will continue 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 Risks
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.

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 corporate rules from internal regulations and voluntary industry rules to social ethics and norms. The Company established a 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.

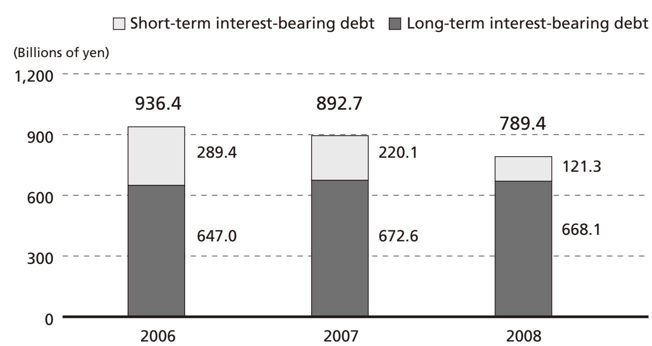
Human Resources Risk
The Group considers employees' abilities as important assets of a company and is implementing intensified recruitment, well-planned educational programs as well as improved training programs. However, there is a risk that the Group will not be able to secure the human resources required 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.

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