

CONSOLIDATED BALANCE SHEETS

Hitachi Capital Corporation and Subsidiaries
March 31, 2008 and 2007

| ASSETS | Japanese yen (millions) | | U.S. dollars (thousands) (Note 2) |
|--|----------------------------|-------------|---|
| | 2008 | 2007 | 2008 |
| CURRENT ASSETS: | | | |
| Cash on hand and at bank (Note 16) | ¥ 26,358 | ¥ 23,981 | \$ 263,580 |
| Trade receivables, including amounts maturing after one year | 611,063 | 632,048 | 6,110,630 |
| Less: Allowance for losses on receivables (Notes 3 (c) and 6) | 10,422 | 10,556 | 104,220 |
| Net trade receivables | 600,640 | 621,492 | 6,006,400 |
| Parent company deposit (Note 16) | 74,008 | 58,048 | 740,080 |
| Short-term investments (Notes 3 (d), (p) and 5) | 4,691 | 2,392 | 46,910 |
| Prepaid expenses and other current assets (Notes 3 (p) and 9) | 26,246 | 80,075 | 262,460 |
| Total current assets | 731,945 | 785,990 | 7,319,450 |
| Equipment held for lease, at cost less accumulated depreciation (Notes 3 (f) and 18) | | | |
| Accumulated depreciation | | | |
| was ¥2,570,212 million (\$25,702,120 thousand) in 2008 | | | |
| and ¥2,444,384 million in 2007 | 1,615,445 | 1,664,357 | 16,154,450 |
| Investments in securities (Notes 3 (d), (p), 4 and 5) | 47,887 | 19,352 | 478,870 |
| Total investments | 1,663,332 | 1,683,710 | 16,633,320 |
| Property and equipment, at cost less accumulated depreciation | 6,892 | 7,020 | 68,920 |
| Other assets (Notes 4, 9 and 10) | 45,621 | 40,000 | 456,210 |
| Total assets | ¥ 2,447,791 | ¥ 2,516,721 | \$24,477,910 |

See accompanying notes to consolidated financial statements.

| LIABILITIES AND NET ASSETS | Japanese yen (millions) | | U.S. dollars (thousands) (Note 2) |
|--|----------------------------|--------------------|---|
| | 2008 | 2007 | 2008 |
| CURRENT LIABILITIES: | | | |
| Short-term bank loans (Note 7) | ¥ 52,071 | ¥ 53,440 | \$ 520,710 |
| Commercial paper | 69,236 | 166,724 | 692,360 |
| Current portion of long-term debt (Note 7) | 206,530 | 128,079 | 2,065,300 |
| Trade payables (Note 8) | 325,470 | 322,893 | 3,254,700 |
| Accrued expenses | 14,807 | 13,343 | 148,070 |
| Obligation for securitized lease receivables (Note 3 (o)) | 354,674 | 331,489 | 3,546,740 |
| Income taxes payable (Note 9) | 5,928 | 5,001 | 59,280 |
| Allowance for losses on guarantees (Note 6) | 3,400 | 3,300 | 34,000 |
| Other current liabilities (Note 9) | 45,938 | 42,715 | 459,380 |
| Total current liabilities | <u>1,078,058</u> | <u>1,066,988</u> | <u>10,780,580</u> |
| Long-term debt (Note 7) | 461,660 | 544,500 | 4,616,600 |
| Retirement and severance benefits (Notes 3 (h) and 10) | 4,902 | 5,000 | 49,020 |
| Retirement benefits for directors (Note 3 (h)) | 881 | 1,223 | 8,810 |
| Long-term obligation for securitized lease receivables (Note 3 (o)) | 625,940 | 618,687 | 6,259,400 |
| Other liabilities (Note 9) | 37,271 | 32,424 | 372,710 |
| Total liabilities | <u>2,208,714</u> | <u>2,268,824</u> | <u>22,087,140</u> |
| NET ASSETS: | | | |
| Stockholders' equity | | | |
| Common stock: | | | |
| Authorized 270,000,000 shares; issued 116,890,558 shares in 2008 and issued 116,891,173 shares in 2007 | 9,983 | 9,983 | 99,830 |
| Capital surplus | 45,972 | 45,972 | 459,720 |
| Retained earnings (Notes 3 (k) and 11) | 198,800 | 192,754 | 1,988,000 |
| Treasury stock (Notes 3 (j) and 12) | (14,328) | (14,327) | (143,280) |
| Total stockholders' equity (Notes 3 (q) and 11) | <u>240,428</u> | <u>234,382</u> | <u>2,404,280</u> |
| Valuation and translation adjustments | | | |
| Net unrealized holding gain on securities | 994 | 4,378 | 9,940 |
| Net unrealized gain on hedging derivatives | (1,750) | 423 | (17,500) |
| Foreign currency translation adjustments | (2,030) | 1,788 | (20,300) |
| Total valuation and translation adjustments | <u>(2,786)</u> | <u>6,590</u> | <u>(27,860)</u> |
| Minority interests | 1,435 | 6,924 | 14,350 |
| Total net assets (Note 3 (q)) | <u>239,077</u> | <u>247,897</u> | <u>2,390,770</u> |
| Total liabilities and net assets | <u>¥ 2,447,791</u> | <u>¥ 2,516,721</u> | <u>\$ 24,477,910</u> |

See accompanying notes to consolidated financial statements.