

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 benefit 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.

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.

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

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.

