



Consolidated Third Quarter Earning Report For the Nine Months Ended December 31, 2006

January 23, 2007

Corporate Name: **Hitachi Capital Corporation**
Stock Listing: Tokyo Stock Exchange
(URL <http://www.hitachi-capital.co.jp>)

Stock Code: 8586
Head Office: Tokyo

Representative Director: Kazuo Takano, President and CEO
Inquiries: Keiji Momoi, Senior Corporate Officer, General Manager of Finance Division.
Phone: +81-3-3503-2118

1. Notes on Presentation of Quarterly Operating Results

- (1) Adoption of the simplified accounting standards: Yes
Accounting standard for income taxes: simplified accounting standard by using the legal effective tax rate
Simplified accounting standards are also used elsewhere where the effect is marginal.
- (2) Changes in accounting standards for financial accounts in the most recent fiscal year: None
- (3) Changes in number of consolidated subsidiaries or equity-method affiliates: Yes

[Number of Consolidated Subsidiaries and Application of Equity Method]

Consolidated subsidiaries:	22
Equity-method non-consolidated subsidiaries:	1
Equity-method affiliates:	1

[Changes in Consolidated Subsidiaries and Affiliates]

Consolidated subsidiaries Excluded:	2
Equity-method affiliates Excluded:	1

2. Consolidated Results for the Third Quarter of the Fiscal Year Ending March 31, 2007

(1) Consolidated Operating Results

Total to the end of the Third Quarter (April 1 – December 31)

(All amounts rounded down, y on y change %)

	Revenues		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine Months Ended December 31, 2006	85,666	2.5	18,238	4.8	19,149	0.2	10,904	4.3
Nine Months Ended December 31, 2005	83,558	1.3	19,157	9.1	19,179	12.1	10,456	11.9
(Reference) Year ended March 31, 2006	112,725	1.0	26,189	6.0	26,129	8.3	14,219	7.0

	Net income per share		Diluted net income per share		Volume of business	
	Yen		Yen		million yen	%
Nine Months Ended December 31, 2006	93.28		-		1,426,828	4.9
Nine Months Ended December 31, 2005	89.29		-		1,499,750	3.6
(Reference) Year ended March 31, 2006	121.11		-		1,989,161	2.8

Notes: Average number of common stock outstanding (after excluding treasury stock):

Nine Months Ended December 31, 2006:	116,892,616 shares
Nine Months Ended December 31, 2005:	117,112,123 shares
(Reference) Year ended March 31, 2006:	117,057,392 shares

(2) Consolidated Operating Results

Third Quarter (October 1– December 31)

(All amounts rounded down, y on y change %)

	Revenues		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three Months Ended December 31, 2006	28,932	3.5	5,625	13.6	6,023	9.2	3,237	7.6
Three Months Ended December 31, 2005	27,966	1.3	6,509	5.7	6,633	12.9	3,505	12.6

	Net income per share	Diluted net income per share	Volume of business	
	Yen	Yen	million yen	%
Three Months Ended December 31, 2006	27.70	-	478,332	6.7
Three Months Ended December 31, 2005	29.99	-	512,657	3.5

Notes: Average number of common stock outstanding (after excluding treasury stock):

Three Months Ended December 31, 2006:	116,892,247 shares
Three Months Ended December 31, 2005:	116,893,520 shares

(3) Consolidated Financial Position

	Total assets	Total stockholders' equity	Stockholders' equity ratio	Stockholders' equity per share
	million yen	million yen	%	Yen
As of December 31, 2006	2,457,589	243,889	9.7	2,029.47
As of December 31, 2005	2,410,398	225,694	9.4	1,930.77
(Reference) Year ended March 31, 2006	2,436,132	230,814	9.5	1,974.21

Note: Number of shares issued and outstanding (after excluding treasury stock):

As of December 31, 2006:	116,891,794 shares
As of December 31, 2005:	116,893,325 shares
(Reference) Year ended March 31, 2006:	116,892,979 shares

3. Forecasts for the Fiscal Year Ending March 31, 2007

(April 1, 2006 to March 31, 2007)

	Revenues		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%
Fiscal year	116,800	3.6	27,500	5.2	15,000	5.5

Notes: Volume of Business Fiscal year: ¥2,000,000 million

(Reference) Projected net income per share for the fiscal year: ¥128.32

Consolidated forecasts have been prepared using information available on the date of release. Accordingly, forecasts may differ significantly from actual results due to a variety of factors.

Consolidated Balance Sheets

(¥ million, rounded down)

Period Item	As of December 31, 2006 (A)	As of March 31, 2006 (B)	Change from March 31, 2006 (A)-(B)	Period Item	As of December 31, 2006 (A)	As of March 31, 2006 (B)	Change from March 31, 2006 (A)-(B)
(Assets)				(Liabilities)			
Current assets	762,264	744,185	18,078	Current liabilities	1,058,512	1,059,071	559
Cash	20,651	37,753	17,101	Trade payables	286,298	278,563	7,735
Trade receivables	604,614	586,298	18,316	Short-term bank loans	98,517	110,575	12,058
Parent company deposit	55,903	47,229	8,674	Commercial paper	219,293	224,376	5,082
Short-term investments	743	792	49	Current portion of bonds	80,963	76,221	4,741
Deferred tax assets	6,565	7,317	751	Current portion of long-term obligation for securitization of lease receivables	307,951	306,709	1,242
Other	85,497	74,857	10,640	Income taxes payable	4,692	5,922	1,230
Allowance for doubtful accounts	11,712	10,061	1,650	Deferred tax liabilities	1,052	1,006	46
Fixed assets	1,695,324	1,691,946	3,377	Reserve for loan guarantees	3,300	3,685	385
Property and equipment	1,369,758	1,350,065	19,693	Other	56,443	52,012	4,430
Equipment held for leases	1,362,758	1,343,781	18,976	Long-term liabilities	1,155,186	1,140,073	15,113
Buildings and structures	1,619	1,517	102	Bonds	317,135	324,928	7,793
Machinery, equipment and vehicles	1,826	1,323	502	Long-term debt	243,255	200,341	42,914
Furniture and fixtures	2,078	2,032	45	Long-term obligation for securitization of lease receivables	556,810	575,373	18,562
Land	1,476	1,410	65	Deferred tax liabilities	2,052	2,919	866
Intangible fixed assets	271,290	287,522	16,232	Retirement and severance benefits	5,058	5,103	44
Equipment held for leases	264,740	280,715	15,975	Retirement benefits for directors	1,173	1,042	130
Other	6,549	6,806	257	Reserve for insurance contract	9,699	9,654	45
Investments and other assets	54,275	54,359	83	Other	20,001	20,710	709
Investments in securities	20,858	24,567	3,709	Total liabilities	2,213,699	2,199,144	14,554
Deferred tax assets	2,860	1,763	1,096	(Minority interests)			
Other	30,565	28,037	2,528	Minority interests		6,173	
Allowance for doubtful accounts	8	9	1	(Stockholders' equity)			
				Common stock		9,983	
				Capital surplus		45,972	
				Retained earnings		181,954	
				Net unrealized holding gain on investments in securities		6,856	
				Net foreign currency translation adjustments		370	
				Treasury stock		14,323	
				Total stockholders' equity		230,814	
				Total liabilities, minority interests and stockholders' equity		2,436,132	
				(Net Assets)			
				Total stockholder's equity	230,334		
				Common stock	9,983		
				Capital surplus	45,972		
				Retained earnings	188,704		
				Treasury stock	14,325		
				Total ()	6,894		
				Net unrealized holding gain on investments in securities	4,470		
				Net deferred unrealized gain/loss on hedge accounting	510		
				Net foreign currency translation adjustments	1,913		
				(Minority interests)	6,661		
				Total net assets	243,889		
Total assets	2,457,589	2,436,132	21,456	Total liabilities, minority interests and stockholders' equity	2,457,589		

Total: Total net unrealized holding gain on securities, net deferred unrealized gain/loss on hedge accounting and foreign currency translation adjustment

Consolidated Statements of Income

<Nine Months Ended December 31, 2006 (April 1 - December 31)>

(¥million, rounded down)

Item	Period	Nine Months Ended December 31,2006 (April 1st,2006 to December 31th,2006)		YoY change	Nine Months Ended December 31,2005 (April 1st,2005 to December 31th,2005)	
			%			%
Revenues		85,666	100.0	2.5	83,558	100.0
Operating revenues		84,871		1.9	83,287	
Interest and dividend income		794		193.0	271	
Expenses		67,427	78.7	4.7	64,400	77.1
Selling, general and administrative expenses		47,452		1.0	47,938	
Financing costs		19,975		21.3	16,462	
Operating income		18,238	21.3	4.8	19,157	22.9
Non-operating revenues		994	1.2	-	158	0.2
Non-operating expenses		83	0.1	-	136	0.1
Ordinary income		19,149	22.4	0.2	19,179	23.0
Income before income taxes and minority interests		19,149	22.4	0.2	19,179	23.0
Income taxes		7,731	9.1	22.1	6,334	7.6
Deferred income taxes		80	0.1	95.9	1,979	2.4
Minority interests		433	0.5	6.0	408	0.5
Net income		10,904	12.7	4.3	10,456	12.5

<Three Months Ended December 31, 2006 (October 1 - December 31)>

(¥million, rounded down)

Item	Period	Three Months Ended December 31,2006 (October 1,2006 to December 31,2006)		YoY change	Three Months Ended December 31,2005 (October 1,2005 to December 31,2005)	
			%			%
Revenues		28,932	100.0	3.5	27,966	100.0
Operating revenues		28,760		3.1	27,895	
Interest and dividend income		171		139.7	71	
Expenses		23,307	80.6	8.6	21,456	76.7
Selling, general and administrative expenses		16,132		1.6	15,882	
Financing costs		7,175		28.7	5,574	
Operating income		5,625	19.4	13.6	6,509	23.3
Non-operating revenues		407	1.4	-	151	0.5
Non-operating expenses		8	0.0	-	28	0.1
Ordinary income		6,023	20.8	9.2	6,633	23.7
Income before income taxes and minority interests		6,023	20.8	9.2	6,633	23.7
Income taxes		3,017	10.4	2.8	2,935	10.5
Deferred income taxes		236	0.8	-	21	0.1
Minority interests		5	0.0	96.8	170	0.6
Net income		3,237	11.2	7.6	3,505	12.5

Supplementary Information

1. Changes in Quarterly Consolidated Performance

Consolidated Results for the Year Ending 31 March, 2007

(¥ million, rounded down)

Item	Quarter		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Nine Months
	No.		April 1, 2006 - June 30, 2006	July 1, 2006 - September 30, 2006	October 1, 2006 - December 31, 2006	January 1, 2007- March 31, 2007	April 1, 2006 - December 31, 2006
Revenues	1		27,944	28,789	28,932		85,666
Operating revenues	2		27,515	28,595	28,760		84,871
Interest and dividend income	3		428	194	171		794
Expenses	4		21,879	22,240	23,307		67,427
Selling, general and administrative expenses	5		15,701	15,618	16,132		47,452
Financing costs	6		6,178	6,621	7,175		19,975
Operating income	7		6,065	6,548	5,625		18,238
Non-operating revenues	8		580	8	407		994
Non-operating expenses	9		31	45	8		83
Ordinary income	10		6,614	6,511	6,023		19,149
Extraordinary gains/losses	11		—	—	—		—
Income before income taxes and minority interests	12		6,614	6,511	6,023		19,149
Income taxes	13		3,032	1,681	3,017		7,731
Deferred income taxes	14		24	341	236		80
Minority interests	15		103	324	5		433
Net income	16		3,502	4,163	3,237		10,904

Consolidated Results for the Year Ended 31 March, 2006

(¥ million, rounded down)

Item	Quarter		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
	No.		April 1, 2005 - June 30, 2005	July 1, 2005 - September 30, 2005	October 1, 2005 - December 31, 2005	January 1, 2006 - March 31, 2006	April 1 2005 - March 31, 2006
Revenues	1		27,658	27,933	27,966	29,166	112,725
Operating revenues	2		27,565	27,826	27,895	28,984	112,272
Interest and dividend income	3		93	106	71	182	453
Expenses	4		21,651	21,292	21,456	22,135	86,536
Selling, general and administrative expenses	5		16,063	15,992	15,882	15,835	63,774
Financing costs	6		5,588	5,300	5,574	6,299	22,762
Operating income	7		6,007	6,640	6,509	7,031	28,189
Non-operating revenues	8		0	6	151	68	227
Non-operating expenses	9		71	37	28	150	287
Ordinary income	10		5,937	6,609	6,633	6,949	26,129
Extraordinary gains/losses	11		—	—	—	—	—
Income before income taxes and minority interests	12		5,937	6,609	6,633	6,949	26,129
Income taxes	13		2,839	559	2,935	1,472	7,807
Deferred income taxes	14		73	2,031	21	1,470	3,449
Minority interests	15		95	141	170	244	652
Net income	16		3,074	3,876	3,505	3,762	14,219

Supplementary Information

2. Contract Segment Consolidated Information

(1) For the Nine Months Ended December 31, 2006 (April 1, 2006 - December 31, 2006) (¥ million, rounded down, %)

	No	Lease	Change (%)	Guarantees	Change (%)	Installments and others	Change (%)	Total	Change (%)
Revenues (Composition %)	1	49,440 (58)	3.9	6,315 (7)	21.4	29,910 (35)	7.2	85,666 (100)	2.5
Volume of business (Composition %)	Ju	571,841 (40)	8.4	151,297 (11)	15.4	703,689 (49)	1.0	1,426,828 (100)	4.9
Trade receivables, loan guarantees and leases (Composition %)	3	1,929,131 (54)	2.6	569,554 (16)	12.0	1,075,354 (30)	5.8	3,574,041 (100)	0.9

(2) For the Nine Months Ended December 31, 2005 (April 1, 2005 - December 31, 2005) (¥ million, rounded down, %)

	No	Lease	Change (%)	Guarantees	Change (%)	Installments and others	Change (%)	Total	Change (%)
Revenues (Composition %)	1	47,606 (57)	0.1	8,037 (10)	21.7	27,914 (33)	13.1	83,558 (100)	1.3
Volume of business (Composition %)	2	623,960 (42)	3.4	178,860 (12)	18.4	696,928 (46)	11.5	1,499,750 (100)	3.6
Trade receivables, loan guarantees and leases (Composition %)	3	1,879,791 (53)	4.3	646,856 (18)	8.3	1,016,731 (29)	14.5	3,543,379 (100)	4.4

Notes:

- "Trade receivables, loan guarantees and leases" include off-balance sheet assets.
- "Lease" includes lease rentals, auto leases and other items.
- "Guarantees" include loan sales through alliances and other items.
- "Installments and others" include installment sales, business loans (including home loans), card services and other items.

3. Volume of Business by Consolidated Product

(¥ million, rounded down, %)

	No	Nine Months Ended December 31, 2005	Nine Months Ended December 31, 2006	Change (%)
Finance business	1	1,207,417	1,106,095	8.4
Automobile finance	2	233,258	217,085	6.9
Home appliances and home refurbishment	3	115,852	111,450	3.8
Home loans	4	94,855	33,599	64.6
Information equipment related	5	313,683	267,861	14.6
Industrial machinery	6	113,297	138,180	22.0
Construction machinery	7	25,236	29,748	17.9
Medical devices	8	76,667	74,163	3.3
Agricultural equipment	9	58,705	56,211	4.2
Others	10	175,859	177,795	1.1
Other financial services	11	300,172	327,632	9.1
Card business	12	34,184	36,284	6.1
Non-life insurance	13	8,645	6,099	29.5
Securitization business	14	49,692	46,220	7.0
Outsourcing business	15	207,650	239,028	15.1
Elimination and/or corporate	16	7,840	6,898	-
Total	17	1,499,750	1,426,828	4.9

Note: "Others" shown under the finance business include commercial facilities, scientific instruments, maintenance services and other items.