

**HITACHI CAPITAL CORPORATION**

*(incorporated with limited liability in Japan)*

as Issuer and Guarantor

and

**HITACHI CAPITAL (UK) PLC**

*(incorporated with limited liability in England and Wales)*

as Issuer

and

**HITACHI CAPITAL AMERICA CORP.**

*(incorporated with limited liability in the State of Delaware)*

as Issuer

**U.S.\$4,000,000,000  
Euro Note Programme**

This supplement (the “Supplement”) to the base prospectus (the “Offering Circular”) dated 11 August 2016 constitutes a supplement to the Offering Circular for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “FSMA”) and is prepared in connection with the U.S.\$4,000,000,000 Euro Note Programme (the “Programme”) established by Hitachi Capital Corporation (“HCC” or, in its capacity as guarantor, the “Guarantor”), Hitachi Capital (UK) PLC (“HCUK”) and Hitachi Capital America Corp. (“HCA”) (each an “Issuer” and together the “Issuers”).

Terms defined in the Offering Circular have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular. A copy of this Supplement will be made available for inspection at the offices of HCUK and at the offices of any Paying Agent in the United Kingdom for so long as the Programme remains in existence. This Supplement will be published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to update the disclosure in the Offering Circular under the section headed “Taxation” relating to information and tax implications under the laws of the Republic of China (hereafter referred to as “Taiwan”) that may affect investors, and to incorporate an additional section headed “Taiwan Settlement and Trading” as set out below.

## **TAIWAN**

The following is a summary of certain Taiwan tax consequences with respect to the holders of the Notes, and is prepared based on current laws and regulations of Taiwan. It does not purport to be comprehensive and does not constitute legal or tax advice. Investors (particularly those subject to special tax rules, such as banks, dealers, insurance companies and tax-exempt entities) should consult with their own tax advisers regarding the tax consequences of an investment in the Notes.

### *Interest on the Notes*

As none of the Issuers are Taiwanese statutory tax withholders, there is no Taiwanese withholding tax on the interest to be paid by any of the Issuers on the Notes.

Taiwanese corporate holders must include the interest receivable under the Notes as part of their taxable income and pay income tax at a flat rate of 17 per cent. (unless the total taxable income for a fiscal year is under 120,000 New Taiwan dollars), as they are subject to income tax on their worldwide income on an accrual basis. The alternative minimum tax ("AMT") is not applicable.

### *Sale of the Notes*

In general, the sale of corporate bonds or financial bonds in Taiwan is subject to 0.1 per cent. securities transaction tax ("STT") on the transaction price. However, Article 2-1 of the Taiwan Securities Transaction Tax Act prescribes that STT will cease to be levied on the sale of corporate bonds and financial bonds for seven years from 1 January 2010 to 31 December 2016. Therefore, the sale of any Notes in Taiwan will be exempt from STT if the sale is conducted on or before 31 December 2016. Starting from 1 January 2017, any sale of the Notes in Taiwan will be subject to STT at 0.1 per cent. of the transaction price, unless otherwise provided by the applicable tax laws that may be in force at that time.

Capital gains generated from the sale of bonds are exempt from income tax. Accordingly, Taiwanese corporate holders are not subject to income tax on any capital gains generated from the sale of the Notes. However, Taiwanese corporate holders should include the capital gains in calculating their basic income for the purpose of calculating their AMT. If the amount of the AMT exceeds the annual income tax calculated pursuant to the Income Basic Tax Act (also known as the AMT Act), the excess becomes the Taiwanese corporate holders' AMT payable. Capital losses, if any, incurred by such holders could be carried over 5 years to offset against capital gains of same category of income for the purposes of calculating their AMT.

Non-Taiwanese corporate holders with a fixed place of business (e.g., a branch) or a business agent in Taiwan are not subject to income tax on any capital gains generated from the sale of the Notes. However, their fixed place of business or business agent should include any such capital gains in calculating their basic income for the purpose of calculating AMT.

As to non-Taiwanese corporate holders without a fixed place of business and a business agent in Taiwan, they are not subject to income tax or AMT on any capital gains generated from the sale of the Notes.

## **TAIWAN SETTLEMENT AND TRADING**

Initial subscription of the Notes by investors will be settled directly through Euroclear or Clearstream, Luxembourg. In order to purchase the Notes, an investor must have an account with Euroclear or Clearstream, Luxembourg and settle the Notes through such account with Euroclear or Clearstream, Luxembourg. For any Taiwanese investor having its own account with Euroclear or Clearstream, Luxembourg, the distributions of principal and/or interest for the Notes to such holders will be made to its own account with Euroclear or Clearstream, Luxembourg.

As of the date of this Supplement, the Issuers have not entered into any settlement agreement with the Taiwan Depository & Clearing Corporation ("TDCC") and have no intention to do so. In the future, if any of the Issuers enter into a settlement agreement with TDCC, an investor, if it has a securities book-entry account with a Taiwan securities broker and a foreign currency deposit account with a Taiwan bank, may settle the Notes through the account of TDCC with Euroclear or Clearstream, Luxembourg if it applies to TDCC (by filing in a prescribed form) to transfer the Notes in its own account with Euroclear or Clearstream, Luxembourg to such TDCC account with Euroclear or Clearstream, Luxembourg for trading in the domestic market or vice versa for trading in overseas markets. For settlement through TDCC, TDCC will allocate the respective Notes position to the securities book-entry account designated by such investor in Taiwan. The Notes will be traded and settled pursuant to the applicable rules and operating procedures of

TDCC and the TPEX as domestic bonds. For such investors who hold their interest in the Notes through an account opened and held by TDCC with Euroclear or Clearstream, Luxembourg, distributions of principal and/or interest for the Notes to such holders may be made by payment services banks whose systems are connected to TDCC to the foreign currency deposit accounts of the holders. Such payment is expected to be made on the second Taiwanese business day following TDCC's receipt of such payment (due to time difference, the payment is expected to be received by TDCC one Taiwanese business day after the distribution date). However, when the holders will actually receive such distributions may vary depending upon the daily operations of the Taiwan banks with which the holder has the foreign currency deposit account.

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference into the Offering Circular, the statement in this Supplement will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular since the publication of the Offering Circular.