

Explanatory Meeting for Business Results for the Year ended March 31, 2025

April 25, 2025

 **Hitachi Construction Machinery Co., Ltd.**

Masafumi Senzaki, President and Executive Officer, COO

Keiichiro Shiojima, Vice President and Executive Officer, CFO

1. **Business Results for the Year ended March 31, 2025** (April 1, 2024 – March 31, 2025)

Keiichiro Shiojima

Vice President and Executive Officer, CFO

Summary of consolidated results

This current fiscal year, revenue decreased by 2% y-y. Adjusted operating income decreased by 14% y-y due to the impact of sales volume decrease, region and model mix, and increase in policy overheads. Net income attributable to owners of the parent decreased by 13%.

Note : < >shows previous forecast as of January 2025

[billions of yen]

			FY2024 Actual	FY2023 Actual	change
Continuing operation					
Revenue	< 1,350.0 >		1,371.3	1,405.9	-2%
Adjusted operating income *1	< 151.0 >	(10.6%)	145.0	(12.0%) 168.0	-14%
Operating income	< 162.0 >	(11.3%)	154.7	(11.6%) 162.7	-5%
Income before income taxes	< 135.0 >	(9.8%)	134.2	(11.4%) 160.5	-16%
Net income from continuing operation		(6.6%)	90.4	(8.3%) 116.3	-22%
Net income from discontinued operation			1.4	-11.8	-
Net income attributable to owners of the parent	< 84.0 >	(5.9%)	81.4	(6.6%) 93.3	-13%
EBIT *2	< 149.5 >	(10.8%)	147.4	(11.9%) 167.5	-12%
FX rate	Rate (YEN/USD)	< 148.3 >	152.6	144.8	7.8
	Rate (YEN/EUR)	< 161.4 >	163.5	157.0	6.5
	Rate (YEN/RMB)	< 20.7 >	21.1	20.1	1.0
	Rate (YEN/AUD)	< 99.6 >	99.6	95.0	4.5
Cash dividend per share (yen) *3	< 175 >		175	150	25

*1 "Adjusted operating income" is presented as revenues less cost of sales as well as selling, general and administrative expenses.

*2 "EBIT" stands for Earnings Before Interests and Taxes, and is calculated by excluding "Interest income" and "Interest expenses" from "Income before income taxes"

*3 "Cash dividend per share": The Company will pay dividends linked to its consolidated business results twice, interim and year end, in the fiscal year and aim to maximize shareholder returns based on stable and continuous dividend payout ratio of approx. 30% to 40%.

Revenue by geographic region (consolidated)

Although revenue in Africa and Oceania increased y-y, revenue in Europe, North America, and Asia decreased. Consolidated revenue decreased by 34.6 billion yen.

[billions of yen]

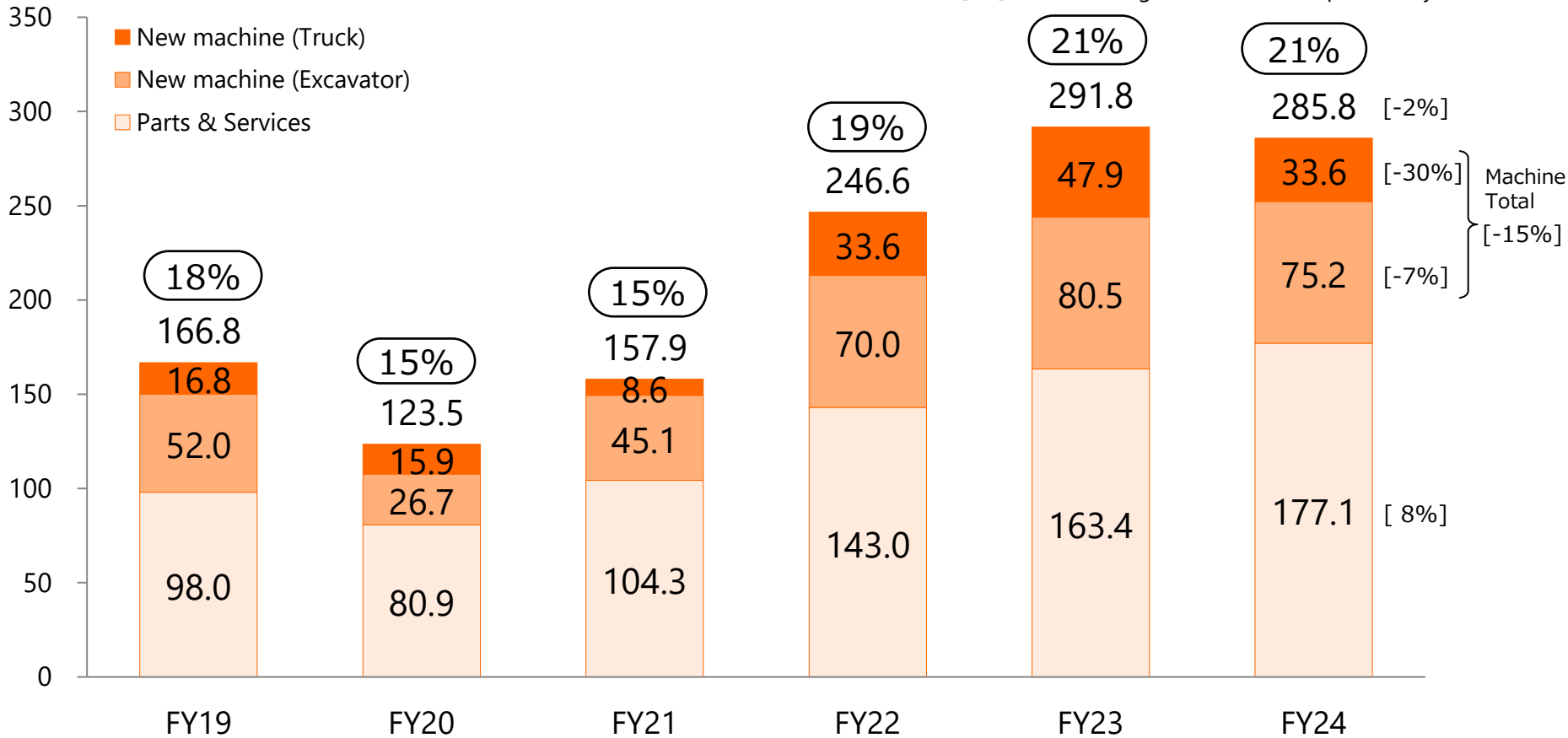
		FY2024		FY2023		change	
		Actual		Actual		amount	%
Japan		220.0	16%	226.9	16%	-6.9	-3%
Asia		118.5	9%	127.0	9%	-8.5	-7%
India		87.5	6%	85.0	6%	2.5	3%
Oceania		258.9	19%	251.1	18%	7.8	3%
Europe		159.7	12%	182.9	13%	-23.2	-13%
N. America		312.4	23%	334.4	24%	-22.0	-7%
L. America		43.8	3%	40.9	3%	2.8	7%
The Americas		356.1	26%	375.2	27%	-19.1	-5%
Developing own business		(210.2)	(15%)	(217.5)	(15%)	(-7.3)	(-3%)
Russia-CIS		19.6	1%	23.4	2%	-3.8	-16%
M. East		33.6	2%	34.7	2%	-1.1	-3%
Africa		85.0	6%	70.4	5%	14.6	21%
China		32.5	2%	29.2	2%	3.3	11%
Total		1,371.3	100%	1,405.9	100%	-34.6	-2%
Overseas ratio		84%		84%			

* FY2023 & FY2024 revenue presented only continuing operation retroactively.

Revenue of trucks and excavators decreased; however, revenue of parts and services increased.

[billions of yen]

(%) shows sales ratio against total company sales
 [%] shows changed ratio from the previous year

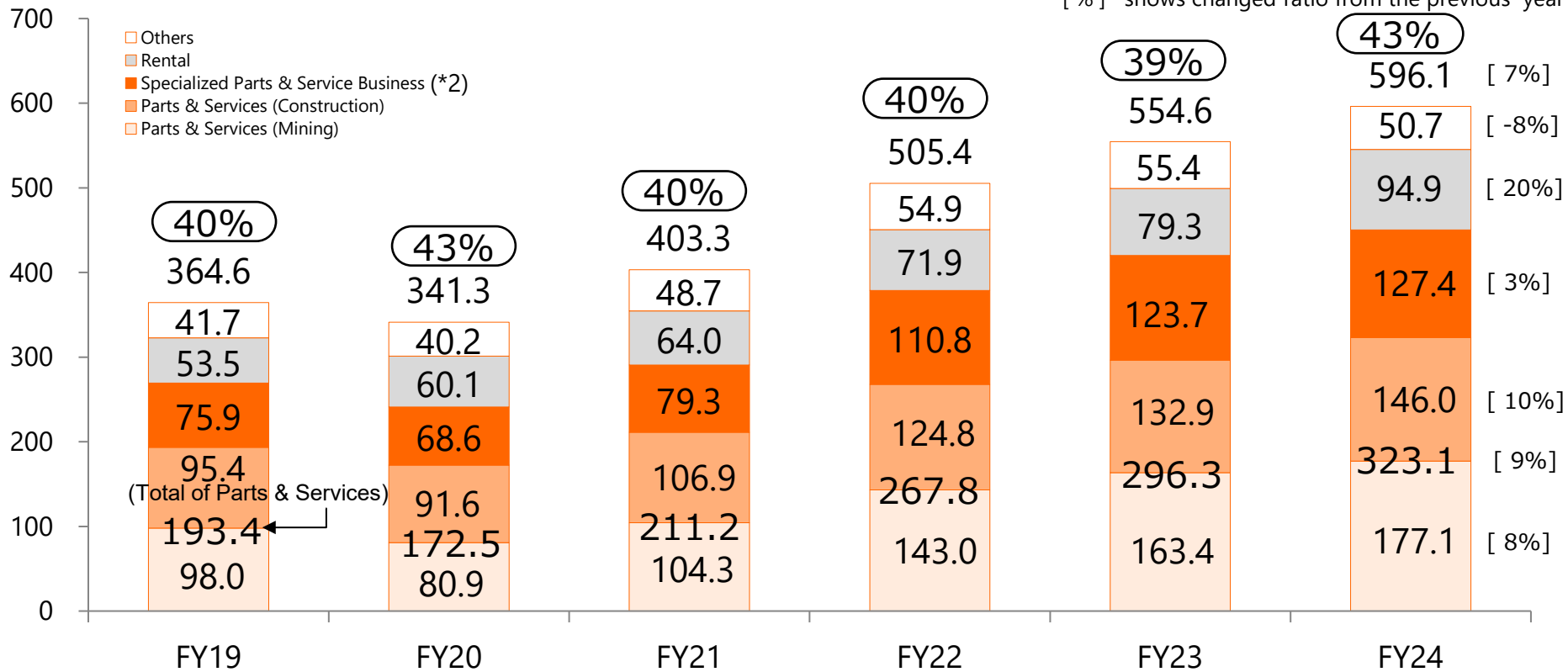


* Specialized parts & service business is not included in the Mining revenue.

Value chain*1 revenue

Revenue of the value chain business increased in parts and services and rental significantly, and there was renewed record-high revenue.

[billions of yen]



(*1) Value chain: Total of Parts & services, Specialized parts & service business, Rental etc. other than new machine sales.

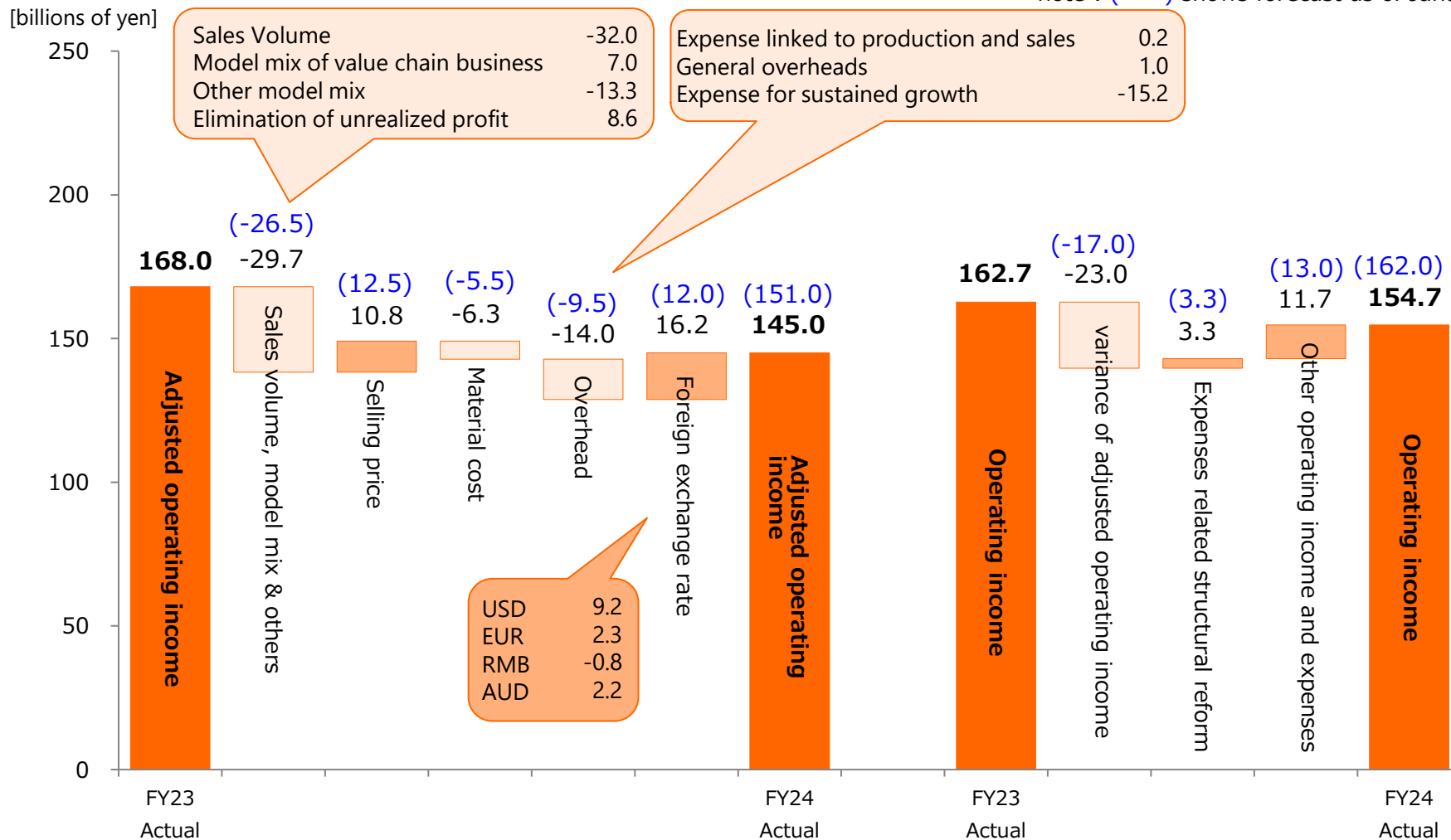
(*2) Specialized parts & service business: The business segment primarily intends to provide development, production, distribution of parts and service solutions for mining facilities and equipment after the sales made that are not included in the construction machinery business segment.

From FY2019, revenue presented only continuing operation retroactively.

Comparison of consolidated income

Adjusted operating income decreased by 23.0 billion yen y-y mainly due to the decrease in sales volume in North America and Europe, despite the impact of the yen's depreciation.

note : () shows forecast as of January 2025



Consolidated statement of financial position

HITACHI

Reliable Solutions

Total assets decreased by 44.7 billion yen from the end of the last fiscal year due to the decrease in trade receivables and inventories. The net D/E ratio also improved to 0.48.

				[billions of yen]			
	(A)	(B)	(A)-(B)		(C)	(D)	(C)-(D)
	Mar '2024	Mar '2023	change		Mar '2024	Mar '2023	change
Cash and cash equivalents	147.1	143.5	3.6	Trade and other payables	259.0	289.9	-30.9
Trade receivables	270.9	305.7	-34.8	Bonds and borrowings	537.9	575.6	-37.7
Inventories	531.2	552.3	-21.1	Total liabilities	933.0	1,021.3	-88.3
Total current assets	1,000.8	1,077.2	-76.4	(Equity attributable to owners of the parent ratio)	(45.2%)	(41.6%)	(3.6%)
Total non-current assets	790.2	758.5	31.7	Total equity	858.0	814.4	43.6
Total assets	1,791.0	1,835.7	-44.7	Total liabilities and equity	1,791.0	1,835.7	-44.7
Trade receivables incl. non-current	318.5	352.9	-34.4				
Inventories by products							
Unit	205.8	229.7	-23.9		(30.0%)	(31.4%)	(-1.4%)
Parts	173.4	172.8	0.6	Interest-bearing debt	537.9	575.6	-37.7
Raw materials, WIP and etc	152.0	149.9	2.1	Cash and Cash equivalents	147.1	143.5	3.6
Total inventories	531.2	552.3	-21.1		(21.8%)	(23.5%)	(-1.7%)
On hand days(divided by revenue)			[Days]	Net interest-bearing debt	390.7	432.1	-41.4
Trade receivables	85	92	-7				
Inventories	141	143	-2	Net D/E Ratio	0.48	0.57	-0.09
Trade payables	38	44	-6				
Net working capital	184	187	-3				

In the third quarter, due to the completion of PPA, the figures for the end of fiscal year 2023 have been retrospectively restated to reflect the numbers after the PPA adjustment.

Operating cash flow and free cash flow improved significantly y-y due to improved working capital. The cash flow margin for operating activities was also maintained at 10.5%.

[billions of yen]

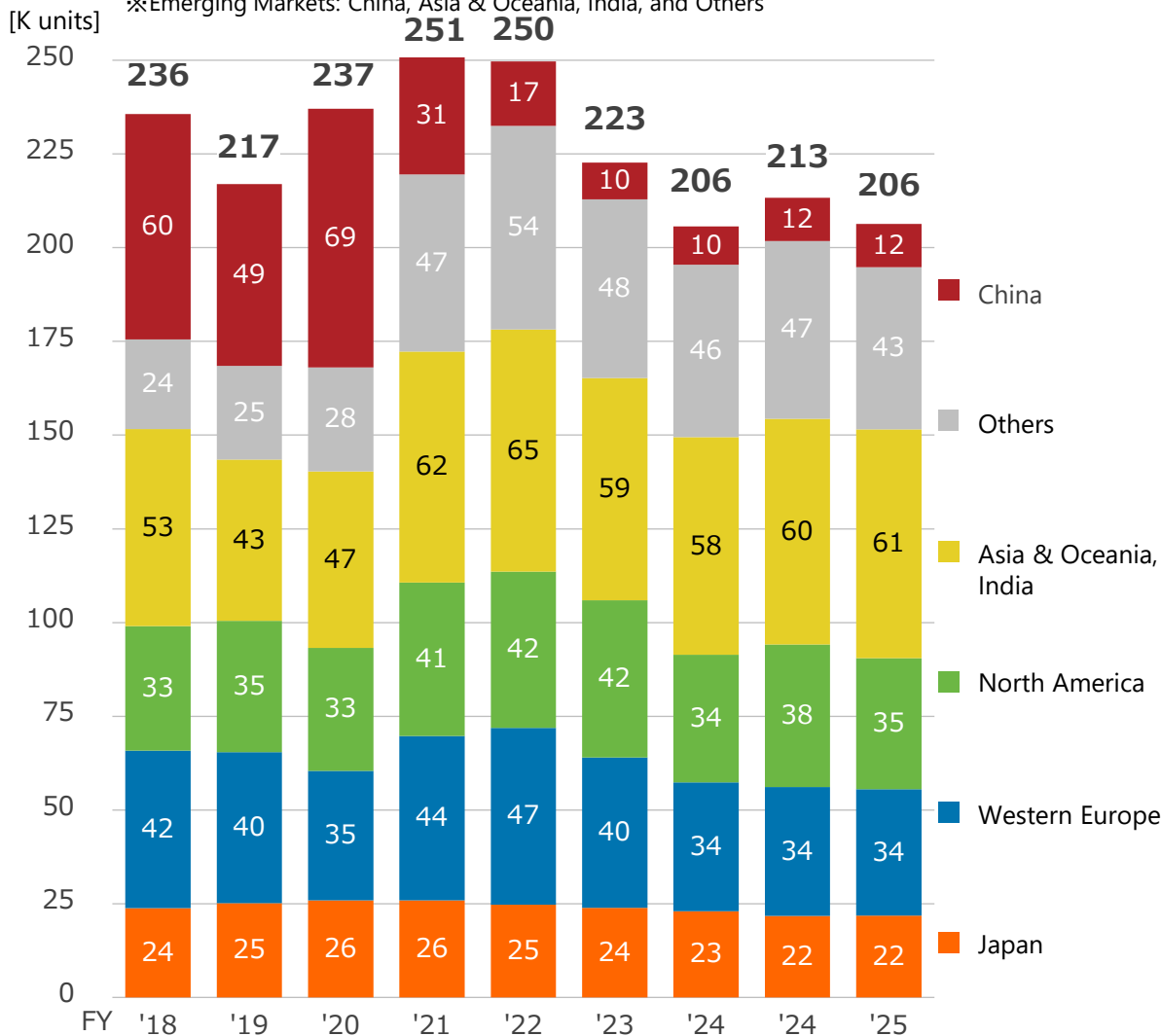
	FY2024 Actual	FY2023 Actual	change
Net income (includes discontinued operations)	91.8	104.5	-12.7
Depreciation and amortization	165.6	172.6	-7.0
(Increase)decrease in trade/lease receivables	35.8	2.5	33.3
(Increase)decrease in inventories	37.7	-60.2	97.9
Increase(decrease) in trade payables	-27.5	1.0	-28.5
Others, net	-59.4	-39.3	-20.1
Net cash provided by (used in) operating activities	143.9	73.0	70.9
Cash flow margin for operating activities	10.5%	5.2%	5.3%
Net cash provided by (used in) investing activities	-52.8	-39.0	-13.8
Free cash flows	91.1	34.0	57.1
Net cash provided by (used in) financing activities	-85.4	-8.9	-76.5

* Blue figures shows the total of each category.

Global Demand Trend for Hydraulic Excavators

**Emerging Markets ratio:
FY24 56% (y-y Change : +4%)**

※Emerging Markets: China, Asia & Oceania, India, and Others



*Demand values are Hitachi Construction Machinery estimates

Previous Forecast

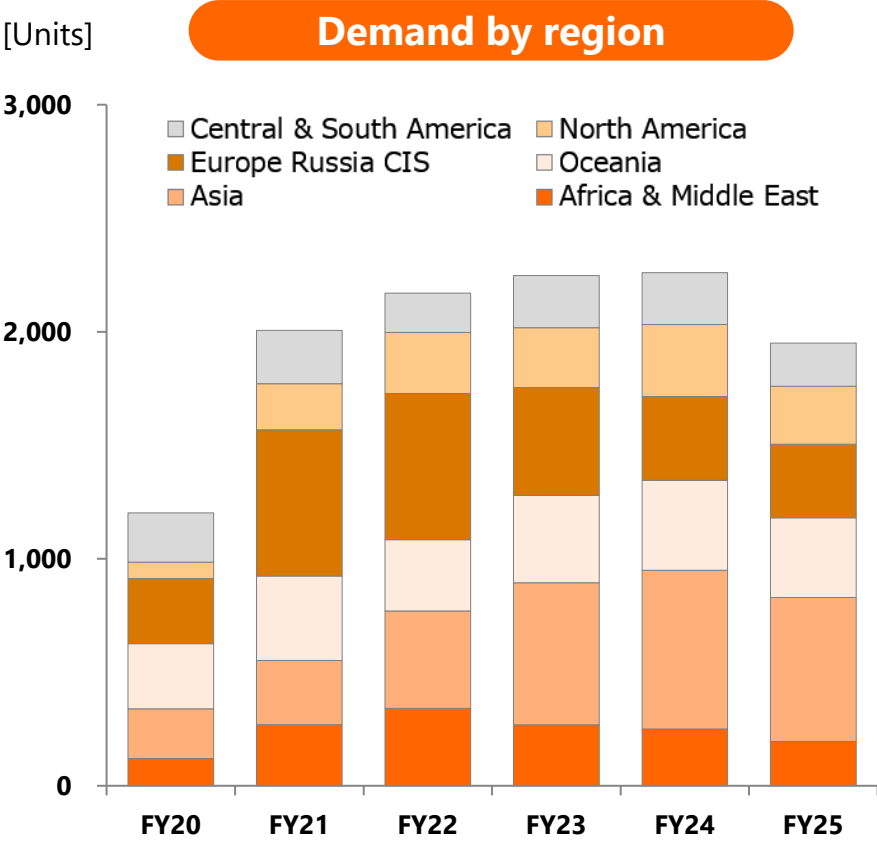
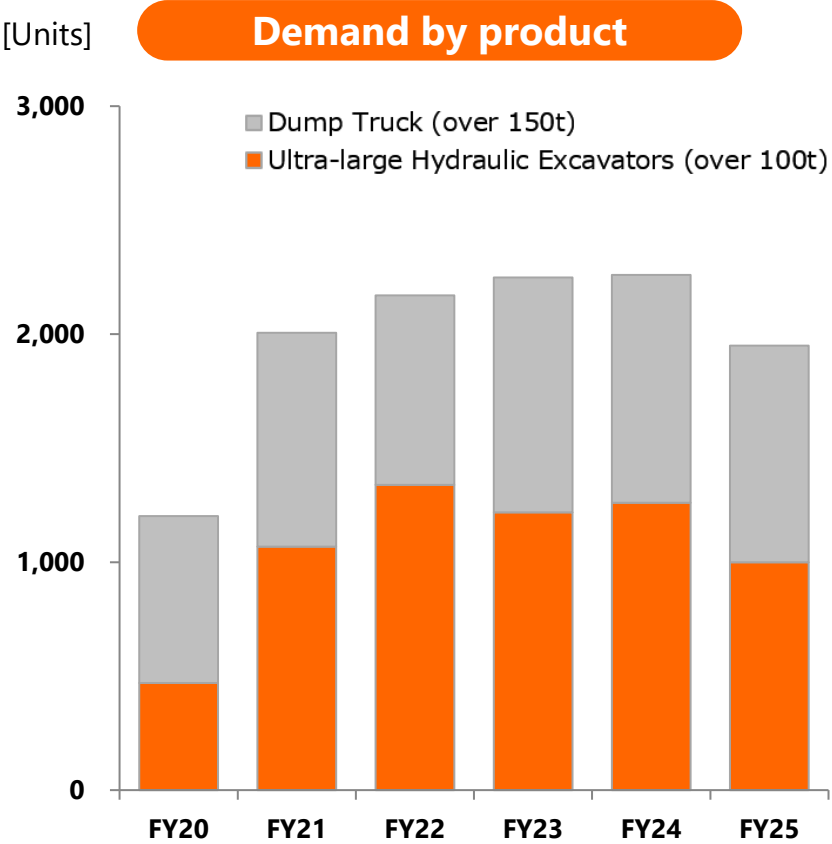
Year-on-Year Change by Region

※Estimates by HCM, Excluding Chinese manufacturers
※Distributing, copying, or forwarding prohibited

	'24	'25
Total	-4%	-3%
China	+17%	±0%
Russia, CIS, E Europe	-19%	-2%
Africa	+34%	-9%
Middle East	-17%	-9%
Latin America	+14%	-13%
Others	±0%	-9%
Asia	+4%	+2%
India	+5%	±0%
Oceania	-23%	+4%
Asia & Oceania, India	+1%	+1%
N America	-9%	-8%
W Europe	-14%	-2%
Japan	-9%	±0%

Mining machinery demand for FY2025 is expected to decline by 10% to 15% y-y, mainly for 100-ton class excavators, due to resource prices, declining demand, US tariff policies, and uncertainty surrounding the recovery of the Chinese economy.

Ultra-large Hydraulic Excavators (over 100t), Dump Trucks(over 150t)



*Demand values are Hitachi Construction Machinery estimates

Summary of consolidated earnings forecast

HITACHI

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Consolidated revenue is expected to remain at the same level as the previous fiscal year. Adjusted operating income is expected to increase due to the increase in value chain revenue and expansion of our own deploying business in the Americas. The impact of US tariffs has not been factored into this forecast.

(billions of yen)

	FY2025 Forecast	FY2024 Actual	change	
			amount	%
Continuing operation				
Revenue	1,375.0	1,371.3	3.7	0%
Adjusted operating income	(11.0%) 151.0	(10.6%) 145.0	(0.4%) 6.0	4%
Operating income	(10.8%) 149.0	(11.3%) 154.7	(-0.4%) -5.7	-4%
Income before income taxes	(9.8%) 135.0	(9.8%) 134.2	(0.0%) 0.8	1%
Net income from continuing operation	92.0	90.4	1.6	2%
Net income from discontinued operation	0.0	1.4	-1.4	-
Net income attributable to owners of the parent	(6.0%) 83.0	(5.9%) 81.4	(0.1%) 1.6	2%
EBIT	150.0	147.4	2.6	
Currency	FY2025 Forecast	FY2024 Actual	change	
Rate (YEN/USD)	145.0	152.6	-7.6	
Rate (YEN/EUR)	155.0	163.5	-8.5	
Rate (YEN/RMB)	19.9	21.1	-1.2	
Rate (YEN/AUD)	94.0	99.6	-5.6	
Cash dividend per share (yen) *1	175	175	0	

For FX sensitivity, please refer to appendix 1.

*1 "Cash dividend per share": The Company will pay dividends linked to its consolidated business results twice, interim and year end, in the fiscal year and aims to maximize shareholder returns based on a stable and continuous dividend payout ratio of approx. 30% to 40%.

Consolidated revenue forecast by geographic region

Consolidated revenue for FY2025 is expected to increase due to the sales growth in Europe, Asia, China, and expansion of our own deploying business in the Americas.

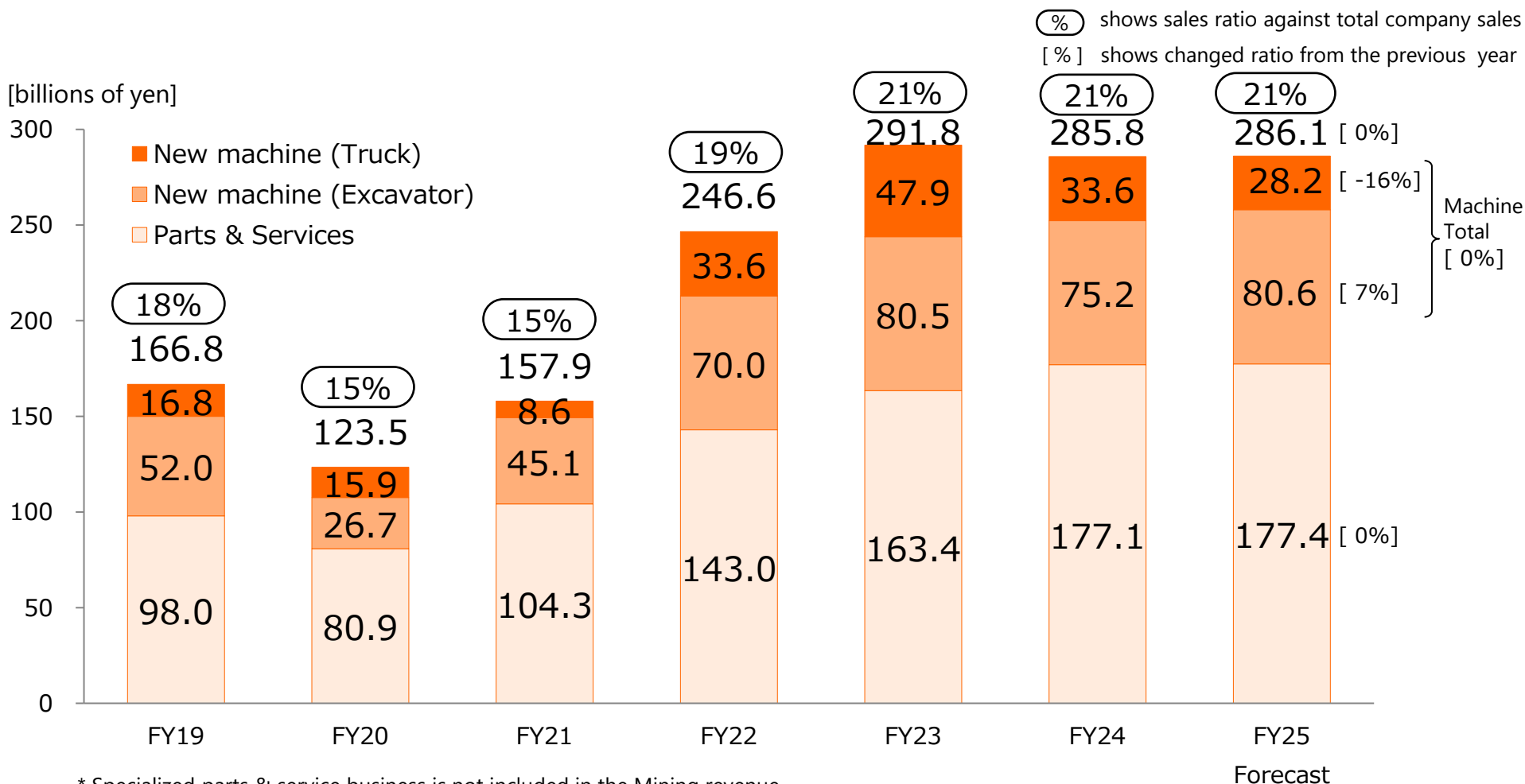
(billions of yen)

		FY2025 Forecast		FY2024 Actual		change	
						amount	%
Japan		221.2	16%	220.0	16%	1.2	1%
Asia		123.5	9%	118.5	9%	5.0	4%
India		86.0	6%	87.5	6%	-1.5	-2%
Oceania		251.8	18%	258.9	19%	-7.1	-3%
Europe		174.4	13%	159.7	12%	14.7	9%
America	N. America	299.1	22%	312.4	23%	-13.3	-4%
	L. America	44.7	3%	43.8	3%	0.9	2%
		343.8	25%	356.1	26%	-12.3	-3%
(Developing own business)		(234.8)	(17%)	(210.2)	(15%)	(24.6)	(12%)
Russia-CIS		21.3	2%	19.6	1%	1.7	9%
M. East		31.0	2%	33.6	2%	-2.6	-8%
Africa		84.8	6%	85.0	6%	-0.2	-0%
China		37.2	3%	32.5	2%	4.7	14%
Total		1,375.0	100%	1,371.3	100%	3.7	0%
Overseas ratio		84%		84%			

* FY2023 & FY2024 revenue present only continuing operation retroactively.

Mining revenue forecast

Although a decrease in truck sales is expected, sales of excavators, parts, and service are expected to increase. The mining revenue total is expected to remain at the same level as the previous fiscal year.

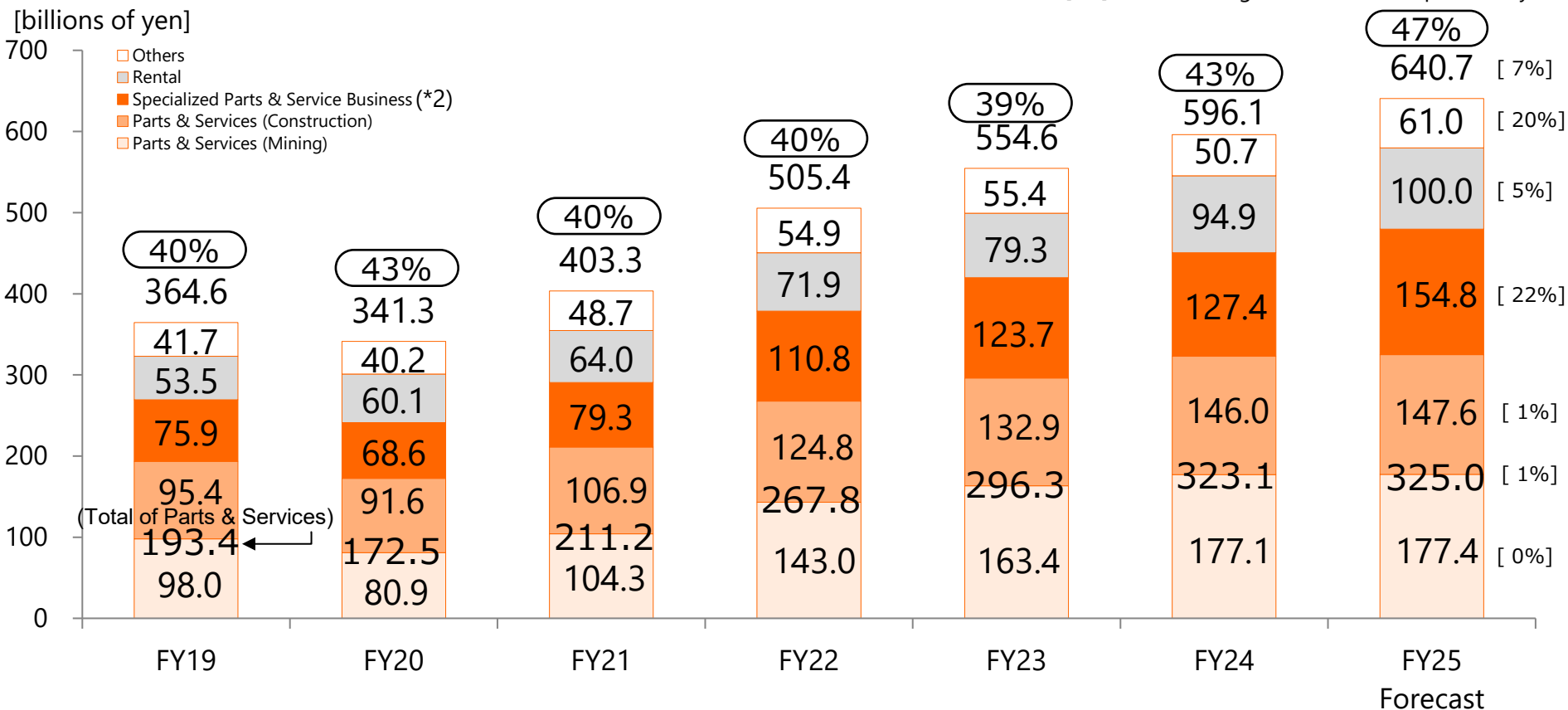


* Specialized parts & service business is not included in the Mining revenue.

Value chain*1 revenue forecast

Value chain revenue is expected to renew record-high revenue due to the increase in specialized parts and service, and the rental business in the Americas.

(%) shows sales ratio against total company sales
 [%] shows changed ratio from the previous year



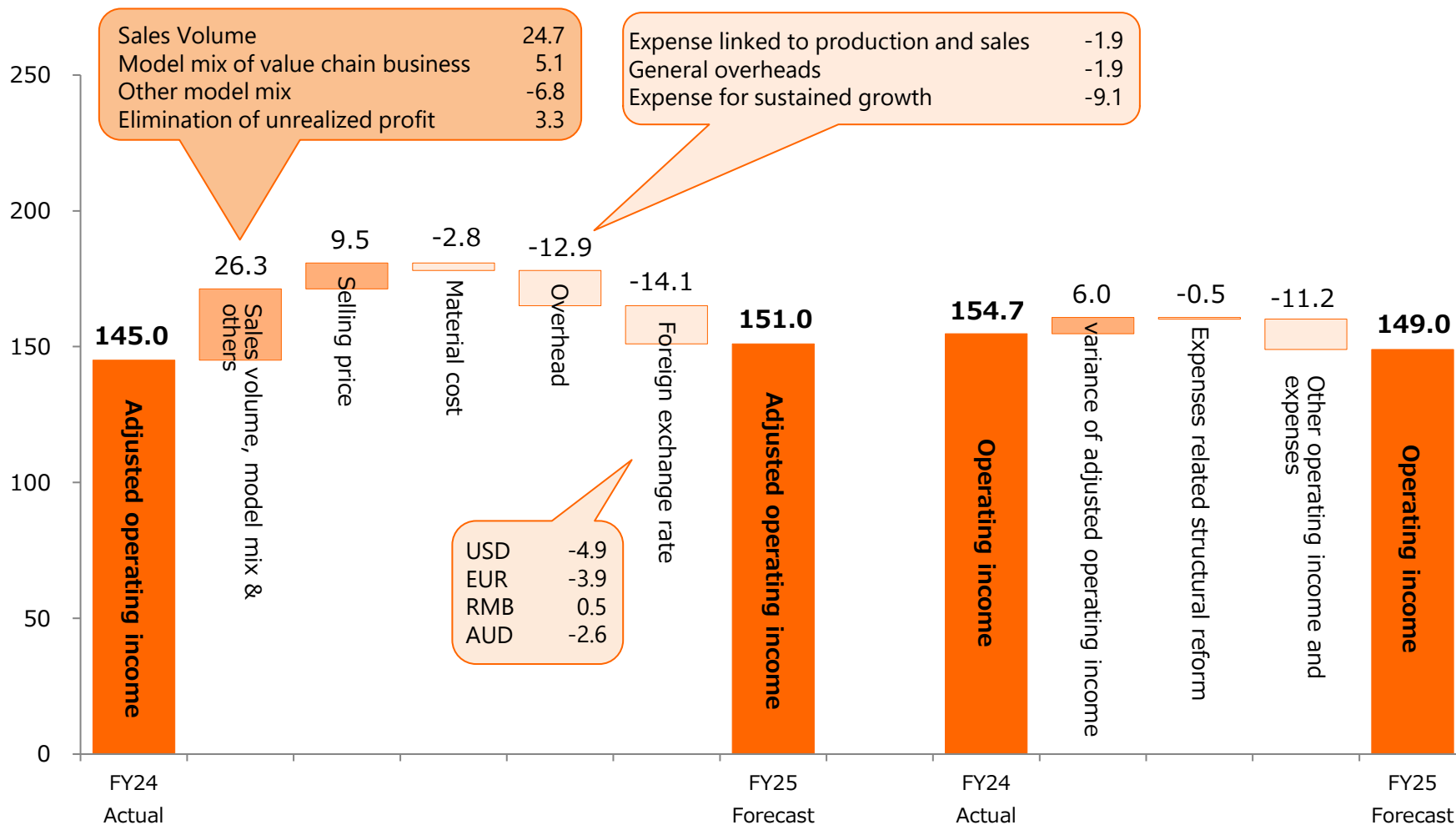
(*1) Value chain: Total of Parts and services, Specialized parts and service business, Rental, etc. other than new machine sales.

(*2) Specialized parts and service business: The business segment primarily intends to provide development, production, distribution of parts, and service solutions for mining facilities and equipment after the sales made that are not included in the construction machinery business segment. From FY2019, revenue presented only continuing operation retroactively.

Comparison of consolidated income forecast

Adjusted operating income for FY2025 is expected to increase by 6.0 billion yen, absorbing the impact of the increase in material cost and overheads by the sales volume and sales price increases.

[billions of yen]



Features of our US business : Mostly affected by tariffs between Japan and the US (exports from countries other than Japan are low)

- Almost 100% of finished products and parts are exported from factories in Japan (Exports from outside Japan to the US are minimal).
- In the OEM business for the US, the customer bears the tariffs. (in principle, there is no impact).

Impact of tariff implementation: Approx. 30 billion yen (impact on shipments in FY 2025)

- Impact amount: The impact on shipments in FY 2025 is estimated to be approximately 30 billion yen based on adjusted operating income. (Calculated based on the estimated shipment amount from Japan, assuming 10% from April to June and 24% from July onwards)

Response to tariffs: Focus on passing on costs to sales prices

- Countermeasures: Passing on costs to sales prices, strengthening rental business, reducing costs, etc.

2. Achieving the Mid-term Management Plan FY2025 Targets

Hitachi Construction Machinery Group Mid-term Management Plan

HITACHI

Reliable Solutions

BUILDING THE FUTURE 2025

- Delivering Innovative Solutions for Customer Needs
- Enhancing Value Chain Business
- Expanding Business in the Americas
- Strengthening Human Capital and Corporate Capabilities

Health, Safety, & Compliance | Customer Interest First | Kenkijin Spirit

Masafumi Senzaki
President and Executive Officer, COO

Targets of the Medium-term Management Plan(Financial)

KPI		Previous	Current Medium-term Management Plan			
		FY2022	FY2023	FY2024	FY2025	
		Result	Result	Result	Forecast	Target
Growth	• Value chain ratio	40%	39%	43%	47% or more	50% or more
	• Own business revenue in the Americas	182.0 Billion yen	217.5 Billion yen	210.2 Billion yen	234.8 Billion yen or more	300.0 Billion yen or more
	• R&D/Revenue ratio	1.9%	2.2%	2.7%	3% or more	3% or more
Profitability	• Adjusted operating income ratio	10.6%	12.0%	10.6%	11% or more	13% or more
	• EBITDA margin*1	14.2%	16.8%	16.1%	17% or more	18% or more
Safety	• Net D/E ratio	0.60	0.57	0.48	0.45 or less	0.40 or less
Efficiency	• Operating cash flow margin*1	-2.0%	5.2%	10.5%	11% or more	10% or more
	• ROE	11.0%	13.1%	10.4%	10% or more	13% or more
	• ROIC *1*3	8.4%	9.8%	7.5%	8% or more	9% or more
Shareholder return*2	• Consolidated dividend payout ratio	33.3%	34.2%	45.7%	40% or more	Stable and continuous implementation with a consolidated dividend payout ratio of 30%-40% as a guide

*1: Newly established indicators in this medium-term management plan

*2: We aim to allocate one-third of operating cash flow to maintenance and strengthening investment, prior investment, and shareholder return & debt payment respectively, based on our fund allocation policy.

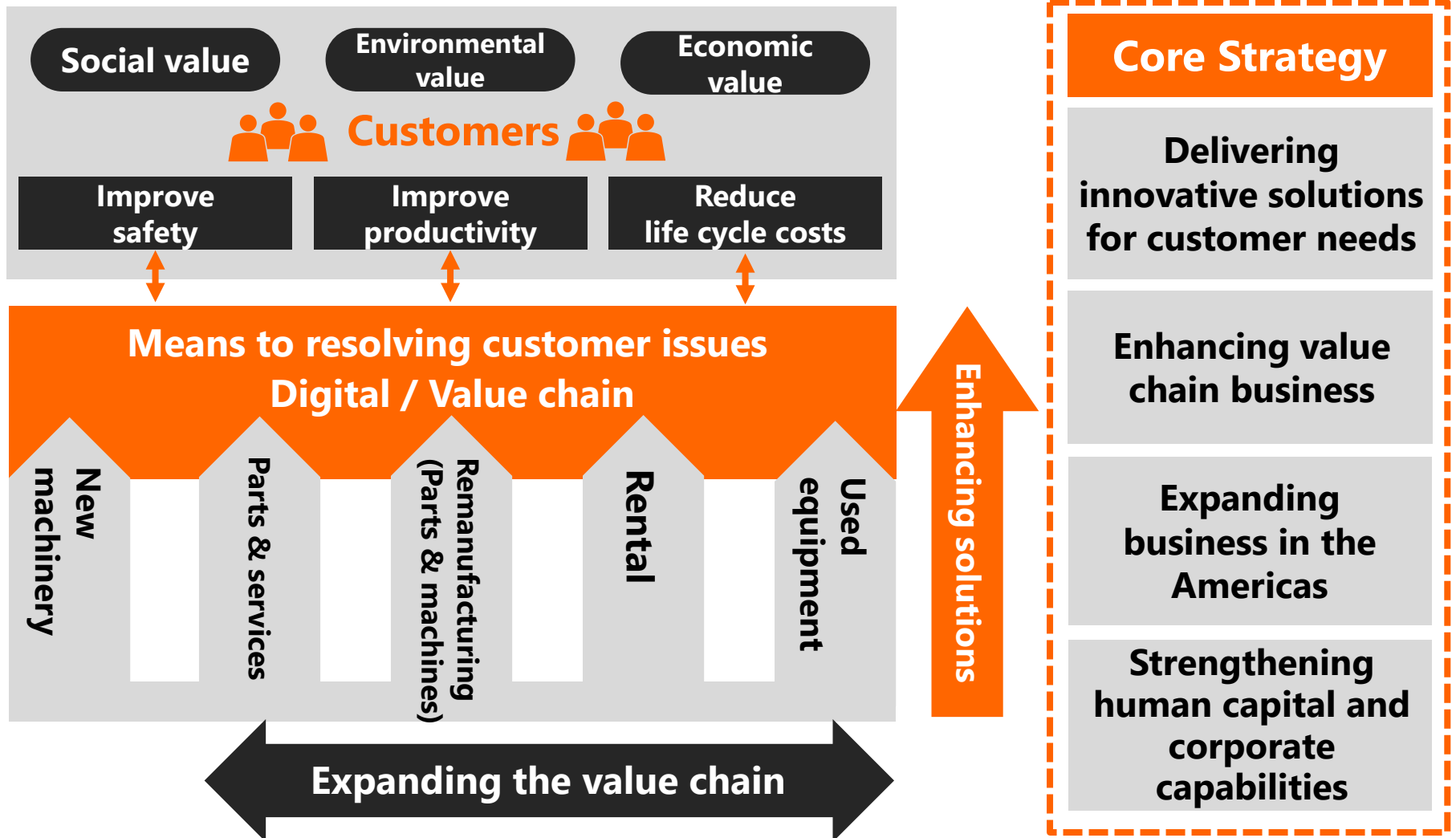
*3: The level of capital cost (WACC) to be compared in the ROIC target is recognized at about 7%.

Targets of the Medium-term Management Plan(Non-financial)

KPI		Past	Current Medium-term Management Plan				
		FY2022	FY2023	FY2024	FY2025		
		Result	Result	Result	Forecast	Target	
E S G	Reducing environmental impact and CO ₂ (total)	Production (Scope 1+2)	-33.0%	-40.4%	Scheduled to be published in "Integrated Report 2025"	-40%	-40%
		Product (Scope 3)	-21.9%	-20.1%		-22%	-22%
	Diversity, equity & inclusion	Localization ratio of GM or higher in overseas group companies* ¹	72%	71%	72%	75%	75%
		Ratio of managers by gender (consolidated) * ¹	Women 11% Men 16%	Women 11% Men 16%	Women 11% Men 17%	Women 13% Men 15%	Women 13% Men 15%

*1: Newly established indicators in this medium-term management plan

Growing as a true solutions provider by delivering innovative solutions



Initiatives of current Medium-term Management Plan

Core Strategy	Progress (FY2023, FY2024)	Initiatives (FY2025)
<p>Delivering innovative solutions for customer needs</p>	<p>Topic 1</p> <ul style="list-style-type: none"> ● New Concept LANDCROS <p>Topic 3</p> <ul style="list-style-type: none"> ● Fully Battery Dump Truck 	<p>Topic 2</p> <p>Promoting technology and product development in an open collaboration.</p>
<p>Enhancing value chain business</p>	<ul style="list-style-type: none"> ● Brake Supply's Mining Machinery Component Remanufacturing Business ● Mining Machinery Component Remanufacturing Plant in Kazakhstan 	<p>Expansion of Zambia's remanufacturing plant. Improved production and supply capacity at mill liner plant in Peru.</p>
<p>Expanding business in the Americas</p>	<ul style="list-style-type: none"> ● Strengthening the parts supply system in the Americas ● Strengthen North American business, expand into South America 	<p>Topic 4</p> <p>Strengthening business foundation in Latin America</p>
<p>Strengthening human capital and corporate capabilities</p>	<ul style="list-style-type: none"> ● Establishes New Development Company in India ● Indonesia to Begin Mass Production of 120-ton Class Ultra-large Hydraulic Excavators 	<p>Carefully select investments in core products and growth areas. Strict control of fixed costs and fixed assets.</p>

New services and concept models to promote the embodiment of LANDCROS

Displayed the concept model "LANDCROS One" at "bauma2025," the world's largest construction machinery exhibition held in April 2025.

Released the first service under the LANDCROS brand, "LANDCROS Connect."



"LANDCROS One"



"LANDCROS Connect"

Provide solutions that maximize the use of digital data



HITACHI CONSTRUCTION MACHINERY CHALLENGE

Pitch Event "Hitachi Construction Machinery Challenge 2024" Held in the U.S. Creating New Value with Startups

Open Source & Technology Partnerships

A photograph of a construction site with two orange Hitachi excavators working on a large pile of earth. The image is overlaid with various digital data graphics, including a bar chart on the left, a circular gauge on the right, and several white circles and lines connecting different points on the site.

Actual operation test from Jan. 2025 Verifying issues in long-term operation, etc.

World's first



Phase 1

June - November 2024

Completed verification of basic performance, charge-discharge cycles, etc.

Phase 2

January-June 2025

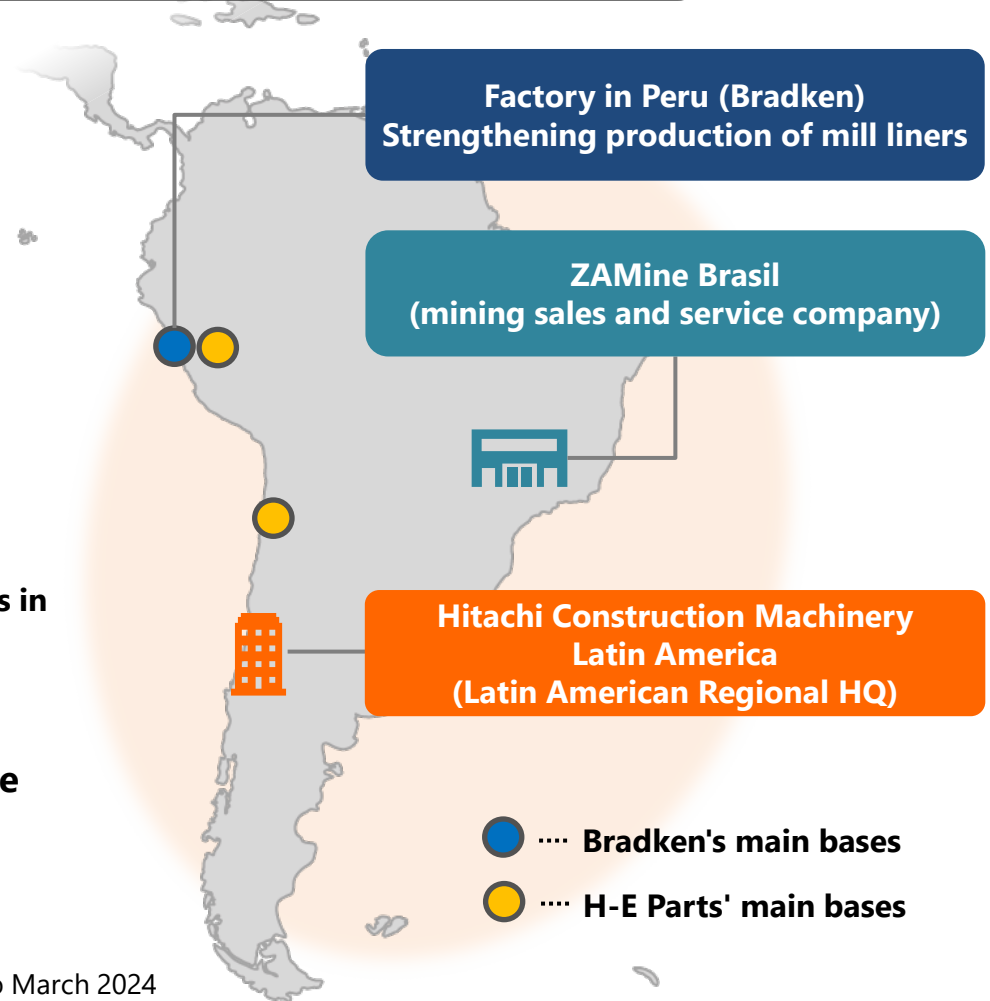
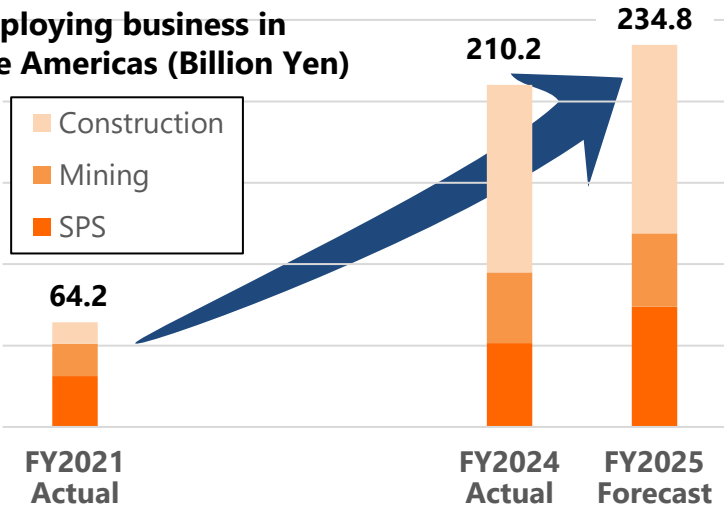
Mining company visits are underway to verify battery performance over time during long-term operation.

Continue to verify charging performance, driving speed, battery driving range, etc., for commercializing the product in 2027.

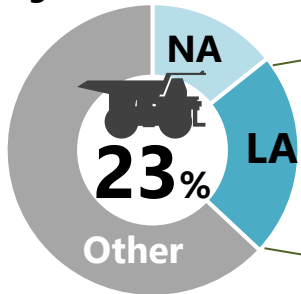
Developing own business of America is growing steadily, and working to further strengthen our business foundation

Strengthening business foundations in Latin America

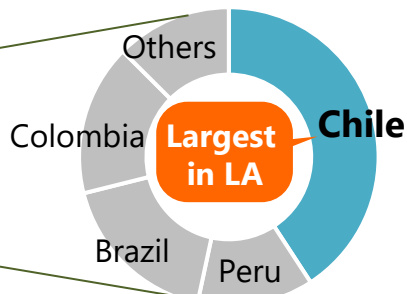
Revenue Trends of own deploying business in the Americas (Billion Yen)



Latin America's share of global demand



Demand for dump trucks in Latin America



*Parker Bay, Load capacity over 150t, Cumulative total from 2010 to March 2024

Hitachi Construction Machinery Group

LANDCROS

Japanese Excellence—Reliable Solutions

Solutions Beyond Machinery

LANDCROS is our desire:

delivering innovative solutions for all stakeholders.

3. References

High-performance premium models and cost-competitive economy models meet diverse needs.

- Launch of Indian-made economy models, two hydraulic excavators and one backhoe loader (January 2025)
- Aiming to expand sales with specifications optimized for Southeast Asia, combining affordability and high reliability.



Appendix 1: FX rate and FX sensitivity

The forecast exchange rate of major currencies for FY2025 was set within the expected fluctuation range for each currency.

FX rate and FX sensitivity

(billions of yen)

Currency	FX rate		FX sensitivity (1Q-4Q)		
	FY25 Forecast	FY24 Actual	Condition	Revenue	Adjusted operating income
USD	145.0	152.6	Impact by 1 yen depreciation	3.4	1.6
EUR	155.0	163.5	Impact by 1 yen depreciation	0.9	0.5
RMB	19.9	21.1	Impact by 0.1 yen depreciation	0.2	0.0
AUD	94.0	99.6	Impact by 1 yen depreciation	2.7	0.5

Appendix 2: Detail of mining revenue

(billions of yen)

		FY24 Actual(A)	FY23 Actual(B)	Change (A)-(B)	FY25 Forecast(C)	Change (C)-(A)
America	Excavator	35.7	36.2	-0.6	38.1	2.5
	Dump Truck	7.7	10.9	-3.2	7.1	-0.6
	Total	43.4	47.1	-3.8	45.2	1.8
Europe, Africa and Middle East	Excavator	30.5	34.3	-3.8	41.2	10.6
	Dump Truck	44.3	35.6	8.7	32.2	-12.1
	Total	74.8	70.0	4.9	73.4	-1.5
Asia & Oceania	Excavator	118.1	120.1	-2.0	116.8	-1.3
	Dump Truck	41.7	50.8	-9.2	38.6	-3.0
	Total	159.7	170.9	-11.1	155.5	-4.3
China	Excavator	6.6	2.5	4.1	10.4	3.9
	Dump Truck	0.1	0.0	0.1	0.1	0.0
	Total	6.7	2.5	4.2	10.6	3.9
Japan	Excavator	1.2	0.9	0.3	1.6	0.4
	Dump Truck	0.0	0.4	-0.4	0.0	-0.0
	Total	1.2	1.3	-0.1	1.6	0.3
Total	Excavator	192.0	194.0	-2.0	208.1	16.0
	Dump Truck	93.8	97.8	-4.0	78.1	-15.8
	Total	285.8	291.8	-5.9	286.1	0.3

* Specialized parts & service business is not included in the Mining revenue.

Appendix 3: Segment information

The amortizations of PPA are included in the adjusted operating income of the specialized Parts & Service Business : 1.5billion yen in FY2024, and 1.8billion yen in the forecast for FY2025.

[billions of yen]

FY2024 Actual	Reportable segment		Adjustments *1	Total
	Construction Machinery Business	Specialized Parts & Service Business		
Revenue	1,244.0	135.6	-8.4	1,371.3
Adjusted operating income	10.4% 129.9	11.2% 15.1	-	10.6% 145.0

[billions of yen]

FY2025 Forecast	Reportable segment		Adjustments *1	Total
	Construction Machinery Business	Specialized Parts & Service Business		
Revenue	1,220.2	154.8	-	1,375.0
Adjusted operating income	10.7% 130.3	13.3% 20.7	-	11.0% 151.0

*1: Adjustments represent eliminations of intersegment transactions and amounts of companies that do not belong to any operation segment.

Appendix4 : Actual and forecast of consolidated capital expenditures, depreciation, and R&D expenses

The total capital expenditures for FY2025 are expected to expand for investment in the value chain business in Oceania and South America.

1. Capital Expenditure (Based on completion)

[billion of yen]

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
Capital Expenditure	45.3	75.1	58.7	51.1	72.6
Assets held for operating lease	44.3	44.2	50.3	77.3	49.8
Total	89.6	119.3	109.0	128.4	122.4

2. Depreciation (tangible and intangible fixed assets)

[billion of yen]

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
Capital Expenditure	36.9	40.5	43.7	47.9	51.2
Assets held for operating lease	17.9	21.6	23.5	25.9	29.5
Total	54.8	62.1	67.2	73.8	80.7

3. R&D expenses

[billion of yen]

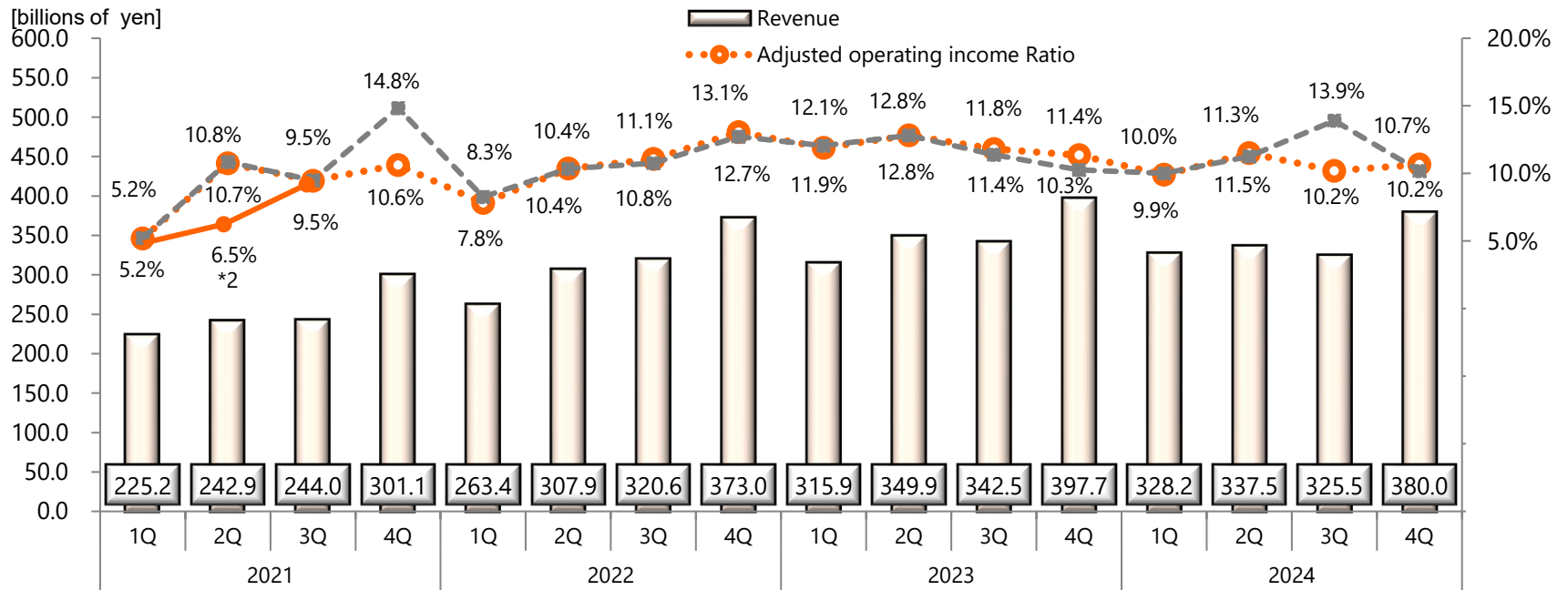
	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
Total of consolidation	25.5	24.4	31.4	37.5	38.3

Appendix5 : Summary of quarterly consolidated revenue and operating income (ratio)

[billions of yen]

	2021				2022				2023				2024			
	1Q	2Q*1	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Revenue	225.2	242.9	244.0	301.1	263.4	307.9	320.6	373.0	315.9	349.9	342.5	397.7	328.2	337.5	325.5	380.0
Adjusted operating income	11.7	26.1	23.1	32.0	20.6	31.9	35.5	48.7	37.6	44.9	40.5	45.1	32.5	38.8	33.2	40.5
Operating income	11.7	26.3	23.2	44.7	21.8	31.9	34.5	47.5	38.1	44.8	39.0	40.8	32.8	38.0	45.3	38.7

*1 Price adjustment in North, Central and South America(11.1 billion yen)is included.



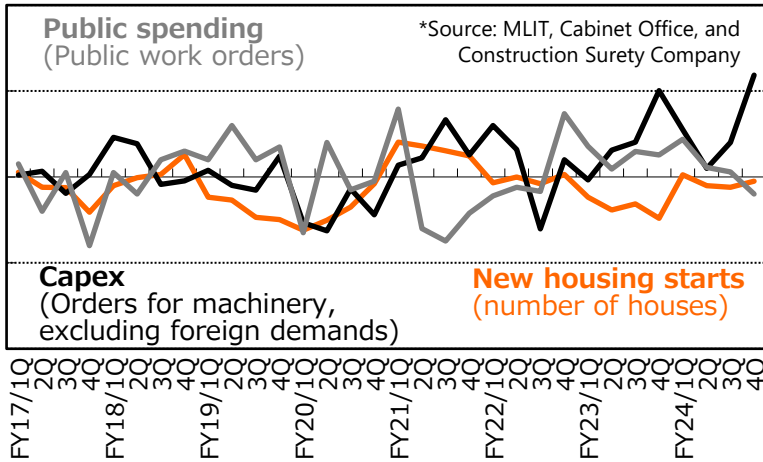
*2 Price adjustment in North, Central and South America(11.1 billion yen)is excepted.

FX rate	2021				2022				2023				2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Rate (YEN/USD)	109.5	110.1	113.7	116.2	129.6	138.4	141.6	132.3	137.4	144.6	147.9	148.6	155.9	149.4	152.4	152.6
Rate (YEN/EUR)	132.0	129.8	130.1	130.4	138.1	139.3	144.3	142.1	149.5	157.3	159.1	161.3	167.9	164.0	162.6	160.5
Rate (YEN/RMB)	17.0	17.0	17.8	18.3	19.6	20.2	19.9	19.3	19.6	19.9	20.4	20.6	21.5	20.8	21.2	21.0
Rate (YEN/AUD)	84.3	80.9	82.9	84.0	92.6	94.5	92.9	90.6	91.8	94.7	96.3	97.7	102.7	100.0	99.5	95.7

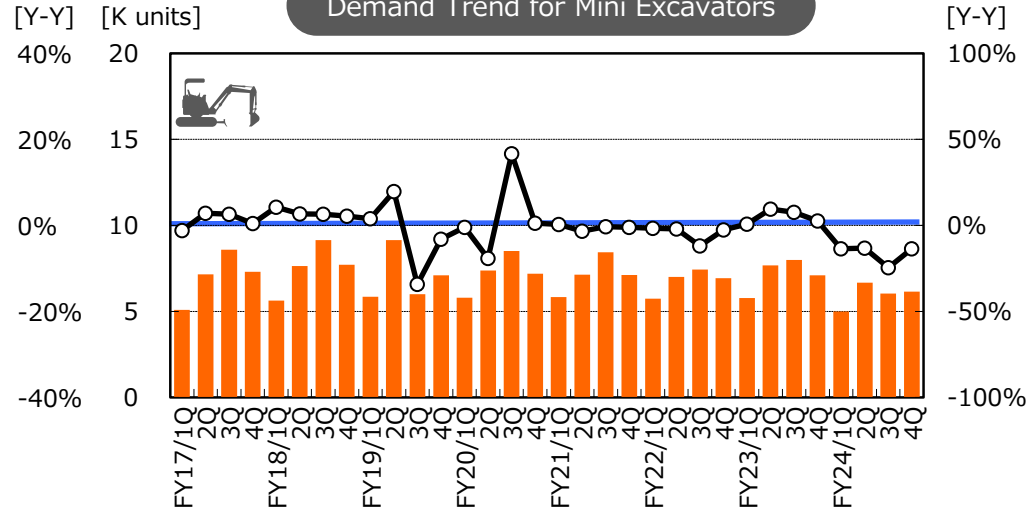
From FY2021, revenue, adjusted operating income and operating income presented only continuing operation retroactively.

- New Housing Starts slightly decreased, Capex significantly increased, Public Spending decreased.
- Demand for Hydraulic excavators decreased:
Hydraulic Excavators -10%, Mini Excavators -14%, Wheel Loaders -24% y-y.

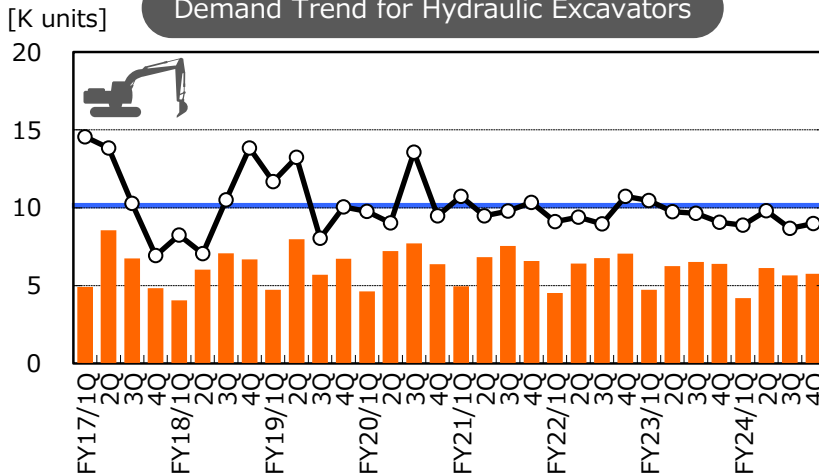
Market Environment Housing, Capex, Public Spending



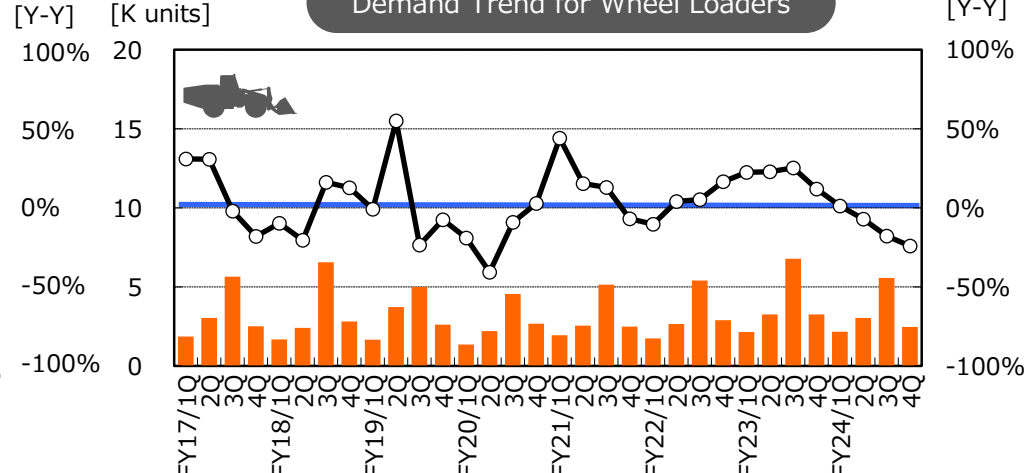
Demand Trend for Mini Excavators



Demand Trend for Hydraulic Excavators



Demand Trend for Wheel Loaders



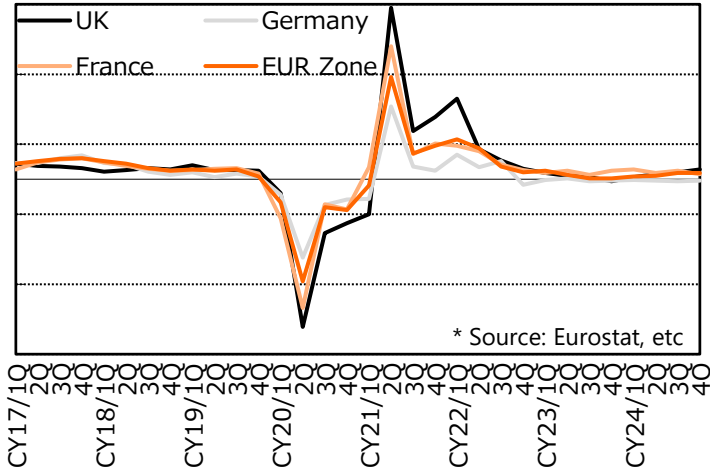
*Demand values are Hitachi Construction Machinery estimates

Europe: Fourth Quarter (Jan to Mar 2025)

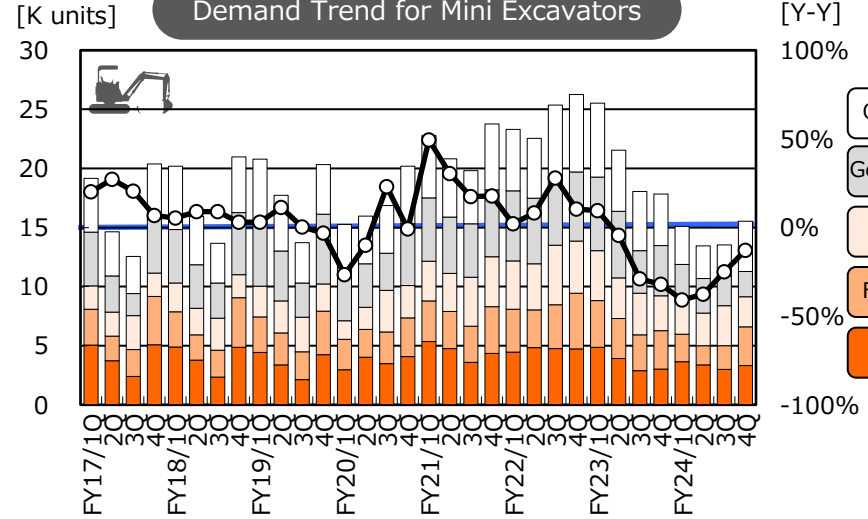
■ GDP in CY24 4Q has been growing at a low rate.
 ■ Demand for Hydraulic excavators increased slightly:
 Hydraulic Excavators +1%, Mini Excavators -13%, Wheel Loaders -17 % y-y.

GDP Growth Rate in Major Countries

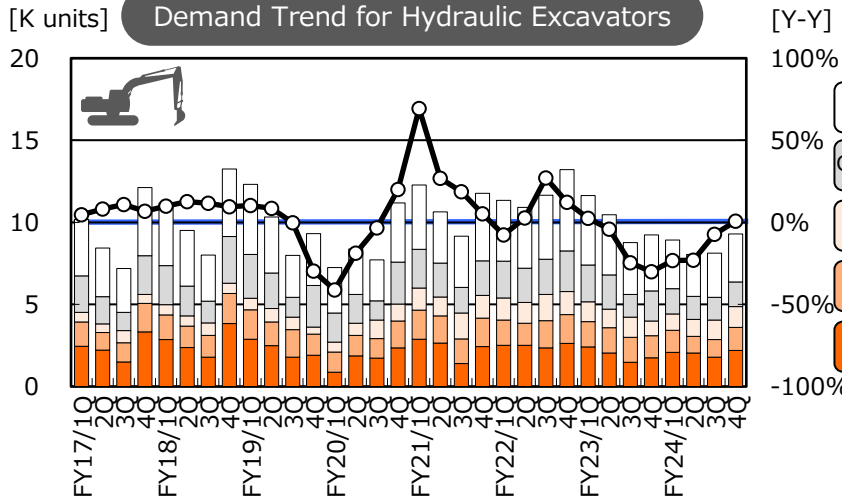
[Y-Y]
25%
15%
5%
-5%
-15%
-25%



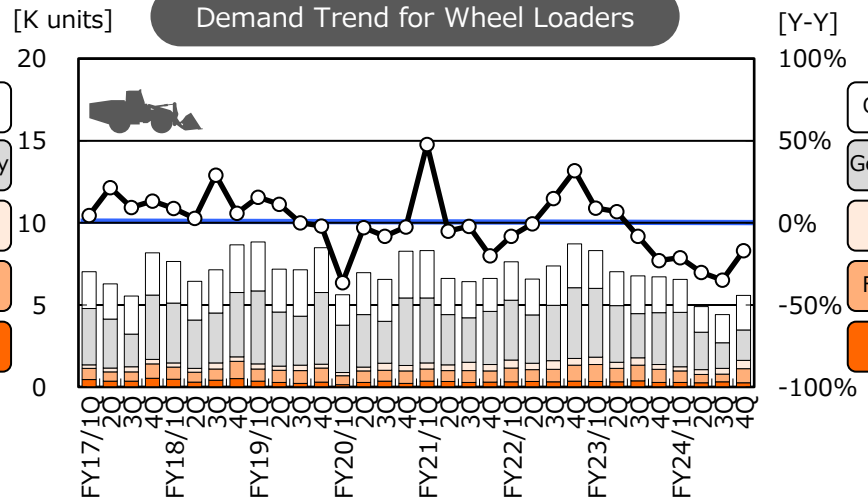
Demand Trend for Mini Excavators



Demand Trend for Hydraulic Excavators



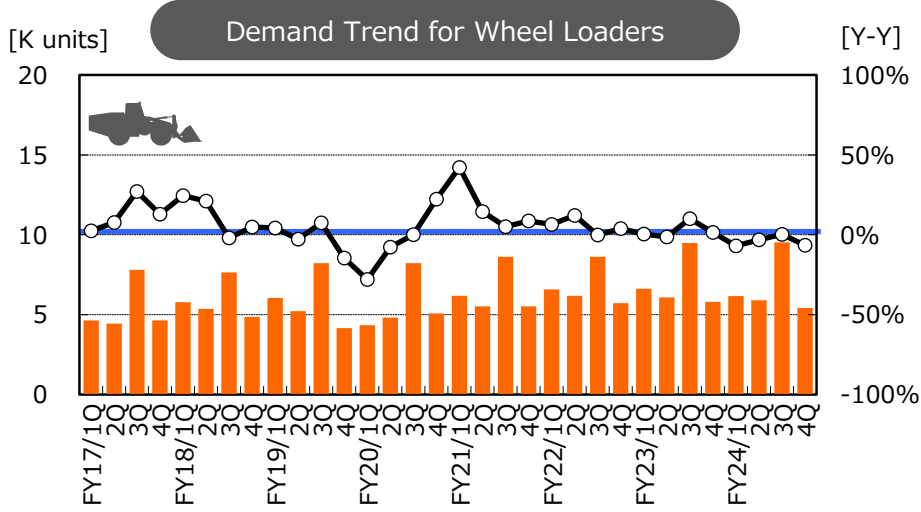
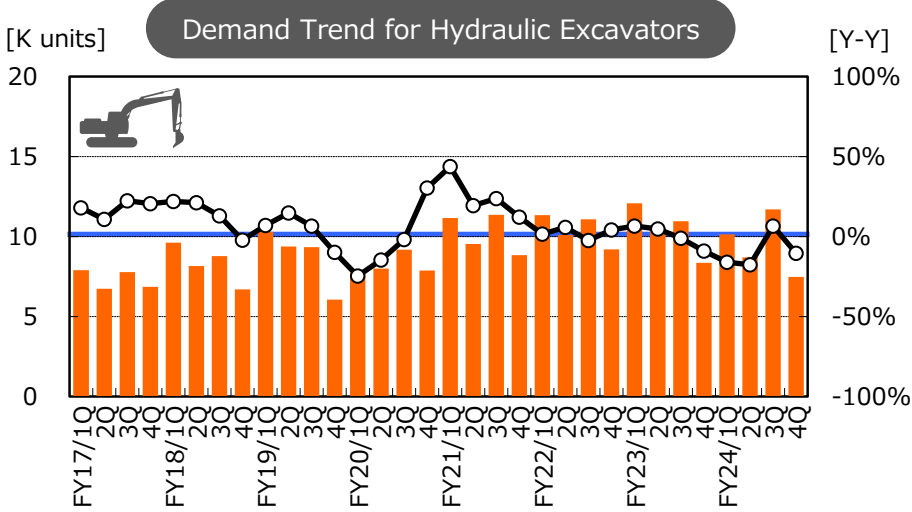
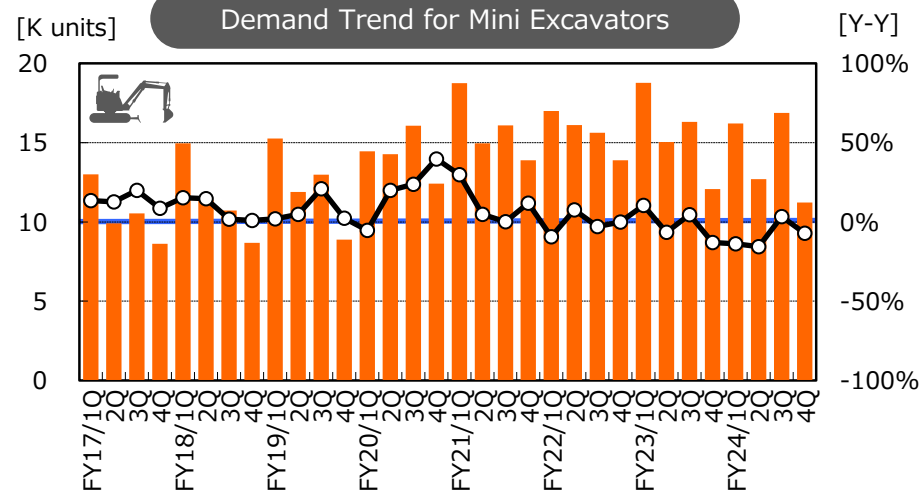
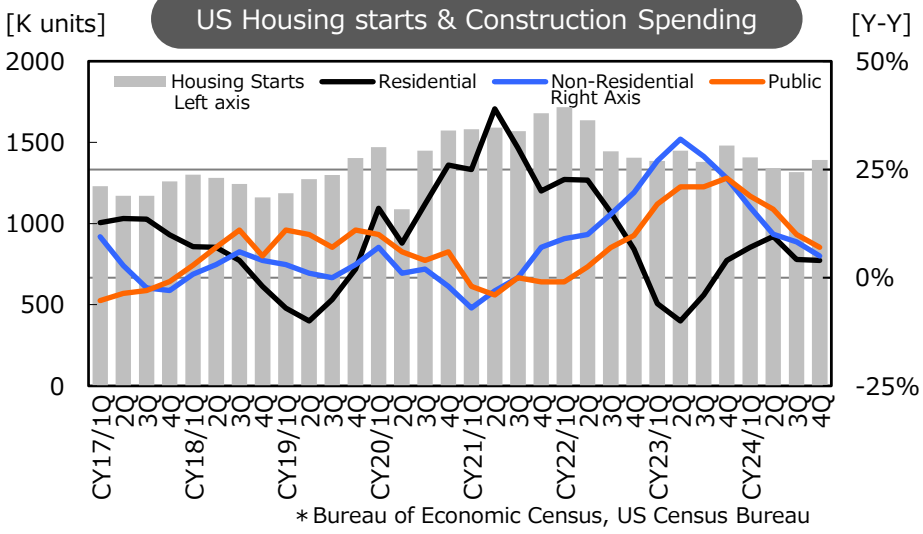
Demand Trend for Wheel Loaders



*Demand values are Hitachi Construction Machinery estimates

North America: Fourth Quarter (Jan to Mar 2025)

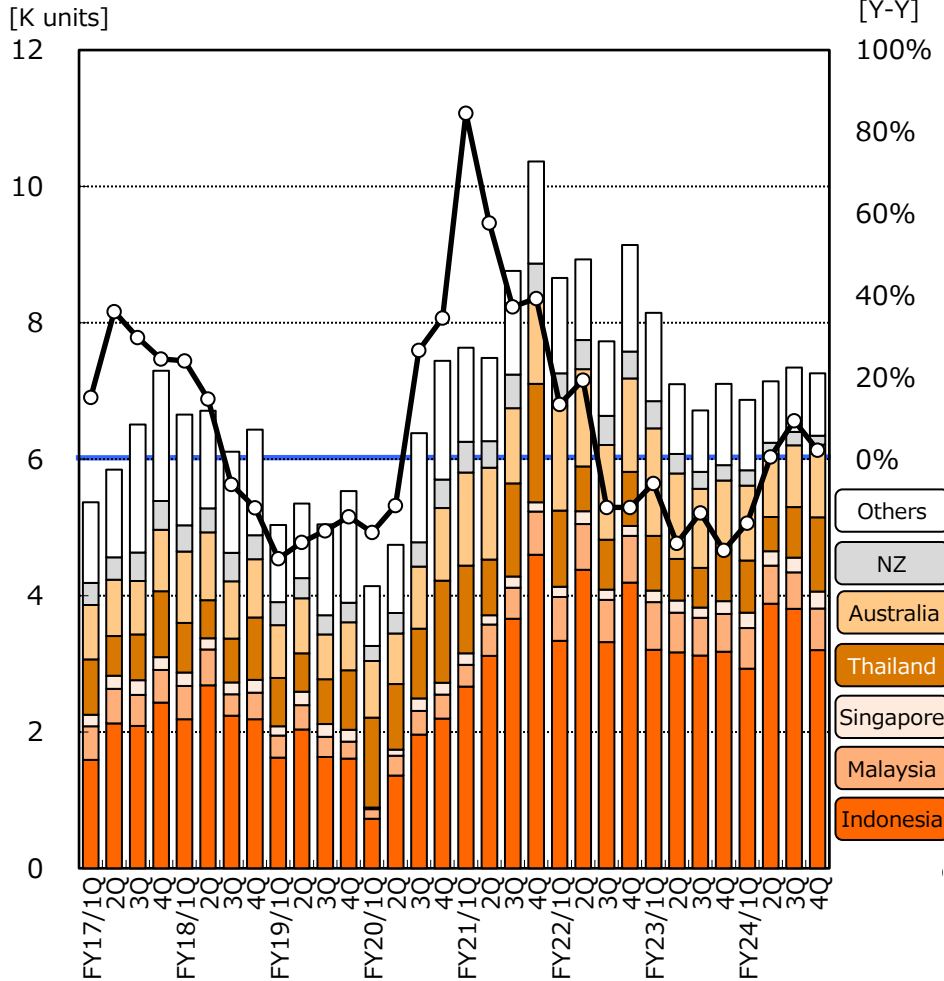
- Residential increased. Non-Residential and Public Works increased, but the margin of increase was narrowing. Housing Starts increased.
- Demand for Hydraulic excavators decreased: Hydraulic Excavators -10%, Mini Excavators -7%, Wheel Loaders -6% y-y.



*Demand values are Hitachi Construction Machinery estimates

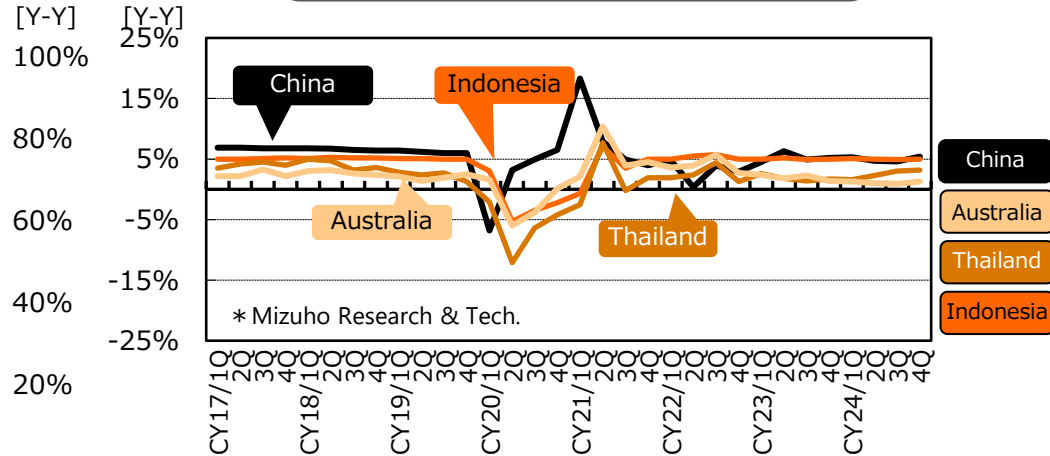
- Demand for Hydraulic excavators in the Asia & Oceania region increased +2% y-y.
- Demand for Hydraulic excavators in China increased +24% y-y. (Domestic :+24%, Foreign :+22%)

Demand Trend for Hydraulic Excavators in Asia & Oceania

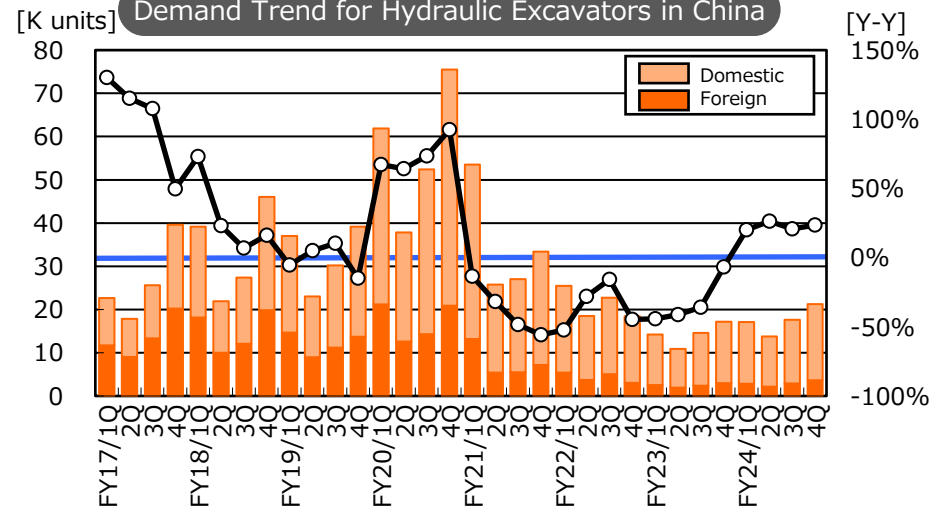


*Demand values are Hitachi Construction Machinery estimates

GDP Growth Rate in Major Countries



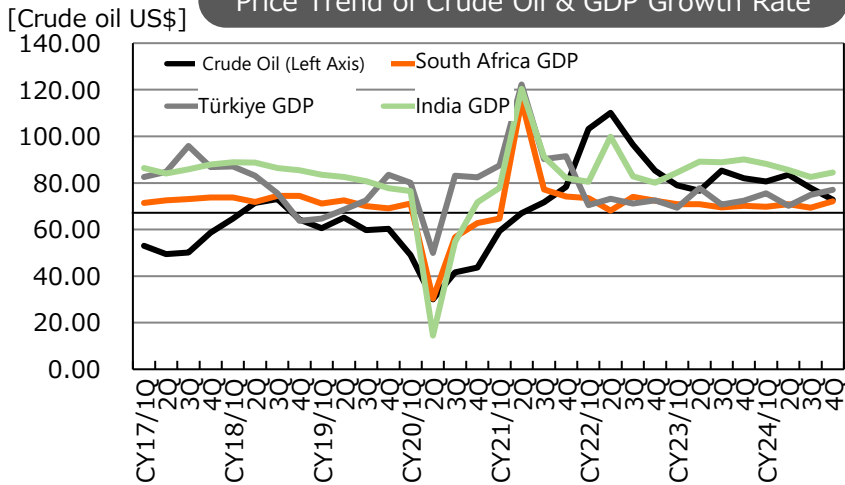
Demand Trend for Hydraulic Excavators in China



India, Middle East, Africa: Fourth Quarter (Jan to Mar 2025)

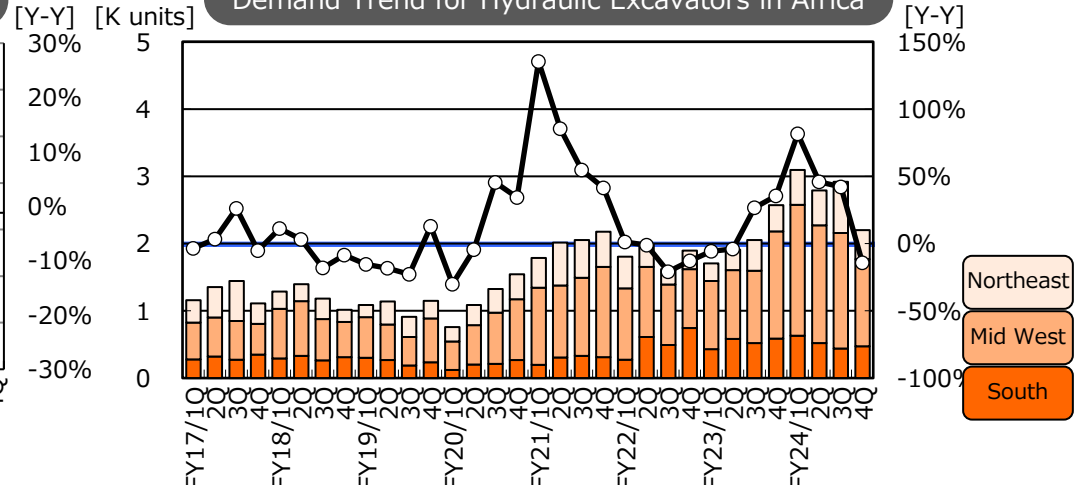
- Demand for Hydraulic excavators increased in India +4% y-y.
- Demand for Hydraulic excavators decreased in Africa -14% y-y.
- Demand for Hydraulic excavators decreased in the Middle East -38% y-y.

Price Trend of Crude Oil & GDP Growth Rate



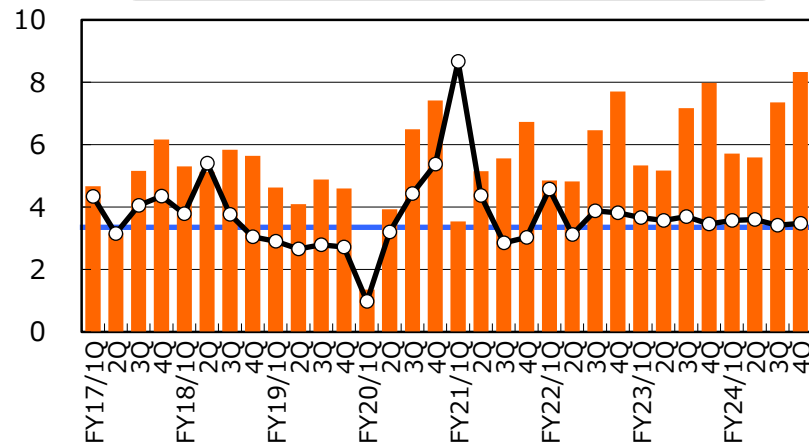
* GDP of Türkiye, South Africa: OECD
 GDP of India : Mizuho Research & Tech.
 * Crude Oil: World Bank

Demand Trend for Hydraulic Excavators in Africa

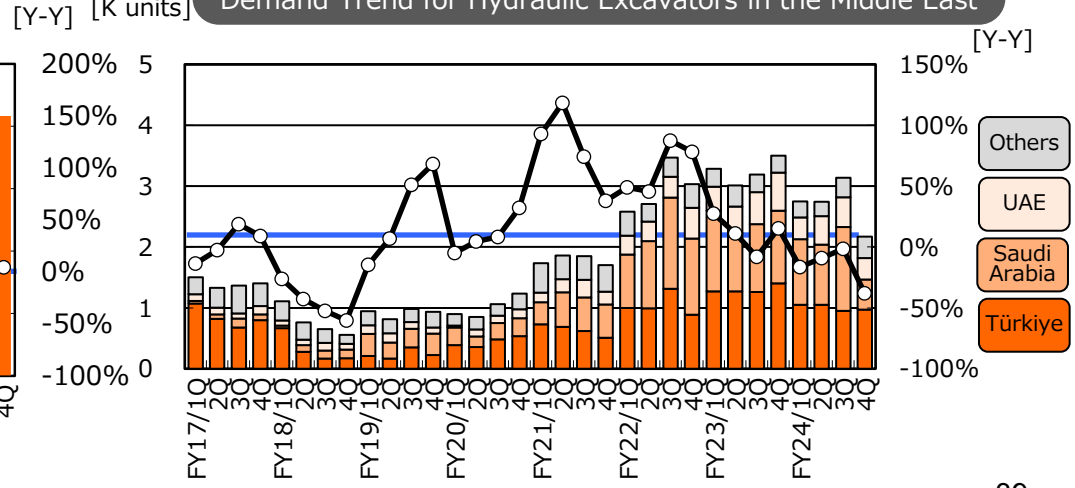


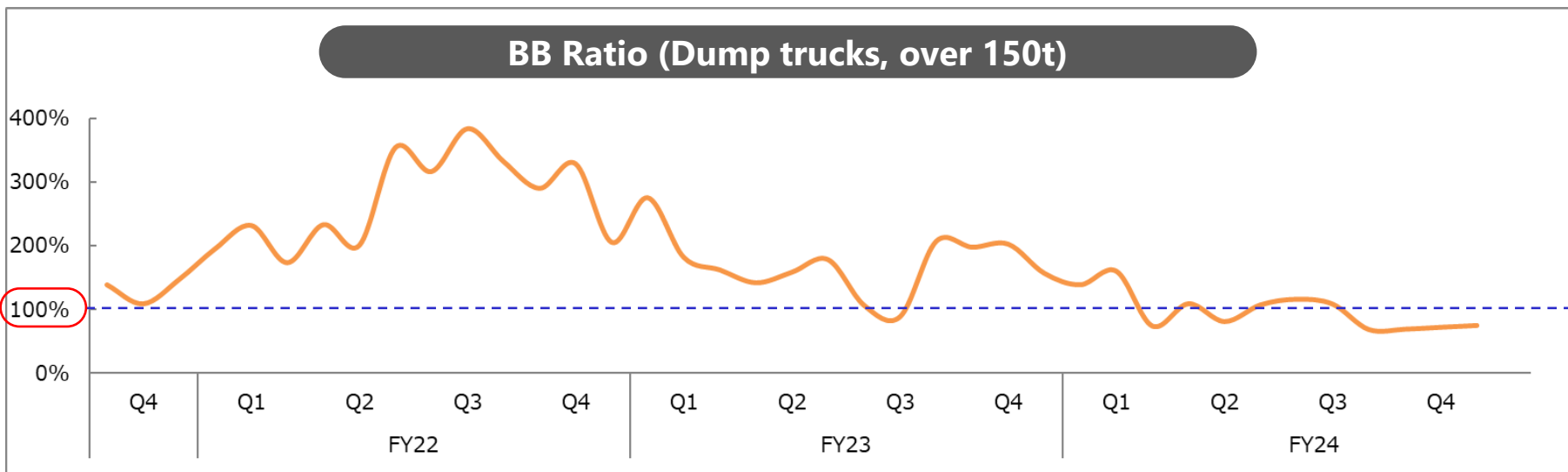
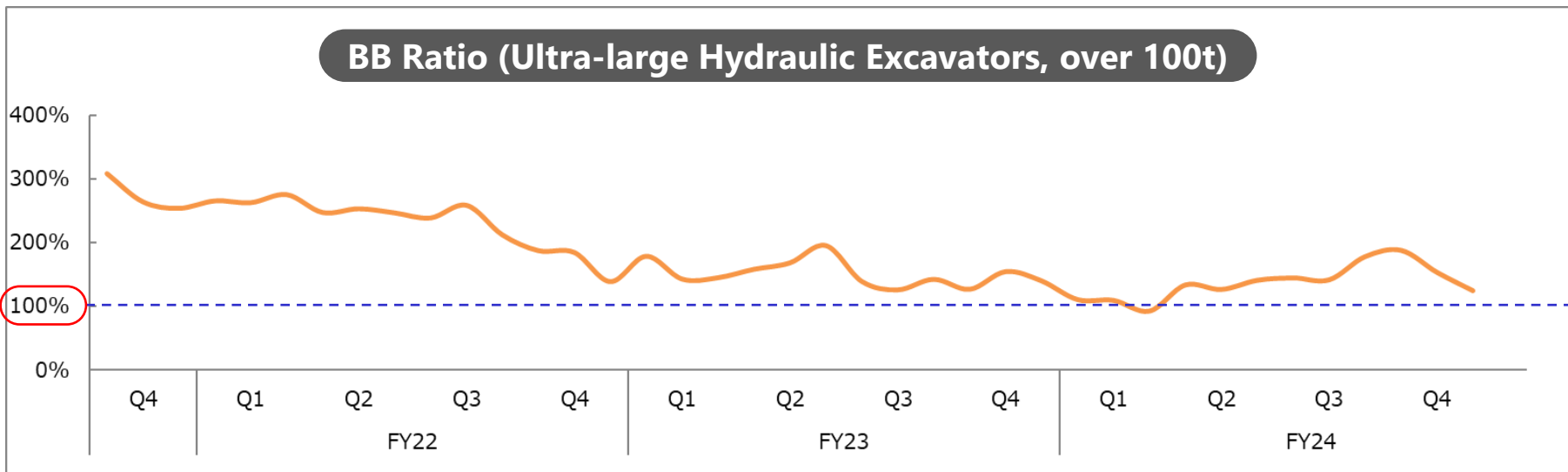
*Demand values are Hitachi Construction Machinery estimates

Demand Trend for Hydraulic Excavators in India



Demand Trend for Hydraulic Excavators in the Middle East





* Book-to-Bill(BB) Ratio = Booking (Value of Orders received)/Billing(Value of shipment)

Non-consolidated basis (average of 6 months)

END

Cautionary Statement

This material contains forward-looking statements that reflect management's views and assumptions in the light of information currently available with respect to certain future events, including expected financial position, operating results, and business strategies. Actual results may differ materially from those projected, and the events and results of such forward-looking assumptions cannot be assured.

Factors that may cause actual results to differ materially from those predicted by such forward-looking statements include, but are not limited to, changes in the economic conditions in the Company's principal markets; changes in demand for the Company's products, changes in exchange rates, and the impact of regulatory changes and accounting principles and practices.

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April 25, 2025

 **Hitachi Construction Machinery Co., Ltd.**