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# Explanatory Meeting for Business Results for the Third Quarter ended December 31, 2025

January 29, 2026

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

Masafumi Senzaki, President and Executive Officer, COO
Keiichiro Shiojima, Vice President and Executive Officer, CFO

## FY2025 Q3 Earnings Highlights

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**Q1-Q3 Results**

**Although revenue and income declined year on year, sales were strong in Europe and Asia, and in our own developing business in North America**

(YoY: Revenue -1.2% Adjusted operating income -11.4% Net income attributable to owners of the parent -9.2%)

- While revenue declined year on year in the Americas OEM business and in Oceania, Europe and Asia remained solid. Excluding foreign exchange effects, revenue was flat year on year, supported in part by higher selling prices.
- Our own developing business in North America also remained resilient; however, uncertainty remains high due to selling price increases implemented to offset tariff impacts.
- Mining customers continued to take a cautious approach toward maintenance-related investments.
- Adjusted operating income decreased year on year due to higher costs associated with U.S. tariffs and growth investments, the unfavorable regional and product mix, and the impact of a stronger yen.

**Forecast**

**We have revised our earnings forecast upward, reflecting stronger-than-expected demand, reductions in material costs, and the foreign exchange environment**

(Compared to previous forecast: Revenue ¥+50 billion, Adjusted operating income ¥+5 billion, Net income attributable to owners of the parent ¥+4 billion)

- Although uncertainty surrounding U.S. tariffs remains, current demand trends are solid. Taking into account reductions in material costs—including cost-down initiatives—and the foreign exchange environment, we have revised our forecast upward.
- The cost increase associated with U.S. tariffs is expected to be partially offset through selling price adjustments.




Thank you very much for joining us today for our earnings call. I would like to present the highlights of our financial results for the third quarter.

This period, sales in Europe, Asia, and our own developing businesses in North America remained solid. On the other hand, the OEM business and Oceania saw a decrease in revenue compared to the same period last year. With the effect of sales price increases, revenue remained at the same level as the previous year, excluding foreign exchange effects. While our own developing business in North America is currently solid, uncertainty remains regarding the future due to the impact of tariffs.

Adjusted operating income decreased year on year, due to increased U.S. tariff costs, growth investments, changes in regional and product mix, and the impact of the current yen appreciation.

On the other hand, we have revised our full-year earnings forecast upward. Although uncertainty regarding tariffs continues in the U.S. market, demand is currently solid. In addition, cost reductions through self-help efforts, reduction in material costs, and the progression of yen depreciation were profit-increasing factors observed by the third quarter.

In addition, in this third quarter, there was a partial sale of our shares held by Hitachi, Ltd. We are currently formulating a new medium-term management plan for the next fiscal year and beyond, in conjunction with determining the landing point of this fiscal year's earnings forecast, which Shiojima will report later. Itochu Corporation, one of our major shareholders, continues to support our initiatives for further growth and advancement of our business, and also provides long-term support as a shareholder.

We are committed to further strengthening collaboration with various partners and striving to enhance our business value and stock price. The detailed content of the new medium-term management plan is scheduled to be explained after next April.

That concludes my remarks. Details of the third quarter financial results will be explained by Shiojima.

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## 1. Business Results for the Third Quarter ended December 31, 2025

(April 1, 2025 –December 31, 2025)

**Keiichiro Shiojima**

Vice President and Executive Officer, CFO

Our financial results in FY2025Q3 and forecast for FY2025 are explained by Keiichiro Shiojima, Vice President and Executive Officer, CFO.

## Summary of consolidated results

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In 3Q of the year, revenue was at the same level y-y excluding the impact of the yen's appreciation, due to a strong performance in Europe and Asia despite the decrease in revenue of the Americas OEM business. Net income attributable to owners of the parent decreased y-y due to the decrease in adjusted operating income despite improvements in financial income and expenses.

[billions of yen]

| | | FY2025 1Q-3Q | | FY2024 1Q-3Q | | change |
|---|---|---|---|---|---|---|
| Continuing operation | | | | | | |
| | Revenue | | 979.3 | | 991.3 | -1% |
| | Adjusted operating income *1 | 9.5% | 92.6 | 10.5% | 104.5 | -11% |
| | Operating income | 10.0% | 98.2 | 11.7% | 116.1 | -15% |
| | Income before income taxes | 9.4% | 92.0 | 10.1% | 100.2 | -8% |
| | Net income from continuing operation | 6.5% | 63.2 | 6.9% | 67.9 | -7% |
| Net income from discontinued operation | | | - | | 1.4 | - |
| Net income attributable to owners of the parent | | 5.7% | 56.2 | 6.2% | 61.9 | -9% |
| EBIT *2 | | 10.2% | 100.0 | 11.2% | 110.6 | -10% |
| FX rate | Rate (YEN/USD) | | 148.7 | | 152.6 | -3.9 |
| | Rate (YEN/EUR) | | 171.8 | | 164.9 | 6.8 |
| | Rate (YEN/RMB) | | 20.7 | | 21.1 | -0.5 |
| | Rate (YEN/AUD) | | 96.6 | | 100.8 | -4.1 |

*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"





This slide explains the summary of consolidated results for FY2025Q3.

Revenue for the Q1-Q3 of FY2025 was ¥979.3 billion, a decrease of 1% from the previous year.

Adjusted operating income decreased by 11% year on year to ¥92.6 billion, resulting in an adjusted operating income margin of 9.5%.

Operating income was ¥98.2 billion, resulting in an operating income margin of 10.0%. Net income attributable to owners of the parent decreased by 9% year on year to ¥56.2 billion.

Compared to the same period last year, revenue slightly declined due to the appreciation of the yen. However, on a local currency basis excluding foreign exchange effects, revenue remained at the same level as the previous year. Following the previous quarter, sales to Europe and Asia remained strong, and even in the North American independent business—where concerns over U.S. tariff impacts persisted—performance was resilient.

Adjusted operating income also decreased year on year due to the impact of yen appreciation, coupled with increased U.S. tariff costs and the unfavorable changes in regional and product mix. Net income attributable to owners of the parent decreased year on year, despite the recording of one-time other income and improvements in financial income and expenses.

Regarding foreign exchange rates for the Q1-Q3, compared to the previous year: the U.S. dollar appreciated by ¥3.9, the euro depreciated by ¥6.8, the Chinese yuan appreciated by ¥0.5, and the Australian dollar appreciated by ¥4.1.

## Revenue by geographic region (consolidated)

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Revenue was at the same level y-y excluding the impact of the yen's appreciation, due to the increase in revenue in Europe, our own developing business in North America, and Asia.

[billions of yen]

| | FY2025 1Q-3Q | | FY2024 1Q-3Q | | change | |
|---|---|---|---|---|---|---|
| | | | | | amount | % |
| Japan | 156.5 | 16% | 156.8 | 16% | -0.2 | -0% |
| Asia | 89.8 | 9% | 84.3 | 9% | 5.4 | 6% |
| India | 62.1 | 6% | 60.8 | 6% | 1.3 | 2% |
| Oceania | 181.7 | 19% | 203.3 | 21% | -21.6 | -11% |
| Europe | 133.2 | 14% | 109.0 | 11% | 24.3 | 22% |
| N. America | 211.8 | 22% | 217.9 | 22% | -6.1 | -3% |
| L. America | 26.0 | 3% | 33.7 | 3% | -7.6 | -23% |
| The Americas | 237.9 | 24% | 251.6 | 25% | -13.7 | -5% |
| (Developing own business) | (150.1) | (15%) | (140.5) | (14%) | (9.7) | (7%) |
| Russia-CIS | 11.2 | 1% | 12.9 | 1% | -1.6 | -13% |
| M. East | 26.7 | 3% | 24.5 | 2% | 2.2 | 9% |
| Africa | 62.3 | 6% | 64.5 | 7% | -2.2 | -3% |
| China | 18.0 | 2% | 23.8 | 2% | -5.8 | -24% |
| Total | 979.3 | 100% | 991.3 | 100% | -11.9 | -1% |
| Overseas ratio | 84% | | 84% | | | |

* FY2024 revenue presented only continuing operation retroactively.





This slide explains revenue by geographic region for the Q1-Q3.

Revenue for the Q1-Q3 of FY2025 decreased by ¥11.9 billion year on year.

We analyze that a decrease of ¥14.2 billion in revenue was due to the impact of yen appreciation, and on a local currency basis, revenue remained flat compared to the previous year.

By region, revenue increased year on year mainly in Europe and Asia, while it declined in the Americas, Oceania, and China. In particular, in the Americas, revenue from OEM supply declined significantly, while our own developing business recorded revenue growth.

The ratio of overseas revenue to total revenue was 84%, the same level as the previous year.

# Mining revenue

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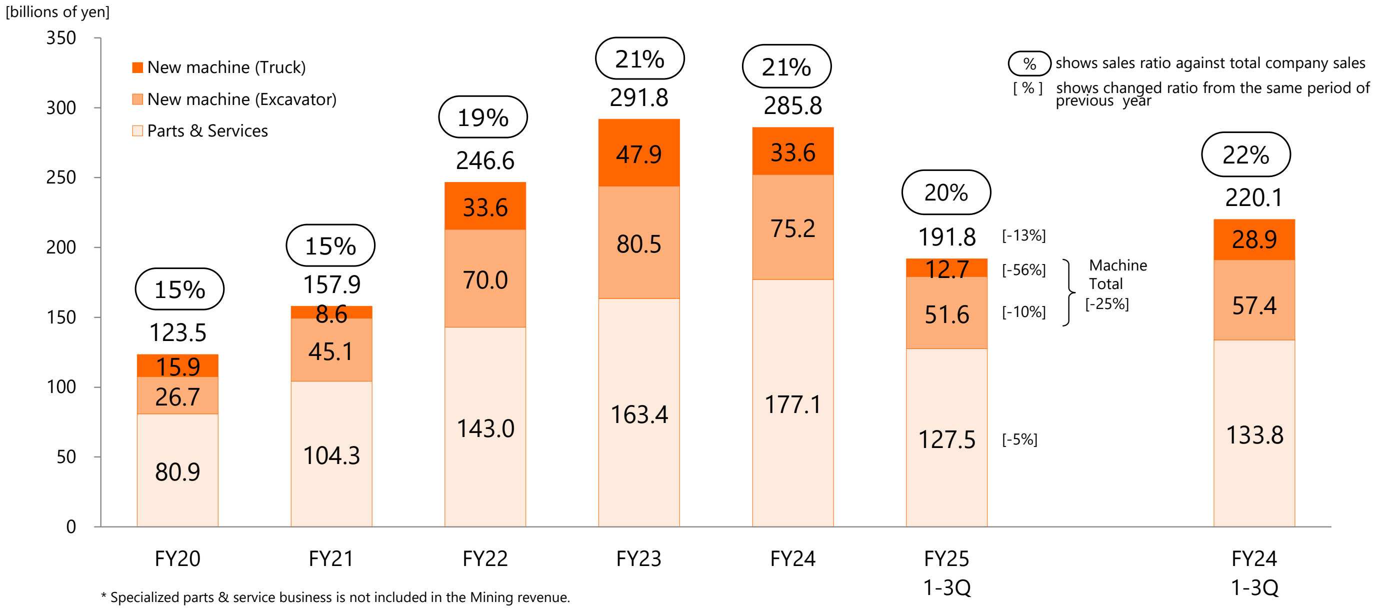
In 3Q of the year, in addition to the impact of the stronger yen, sluggish resource prices have led to a decline in revenue for both new machine sales and parts & services.




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



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This slide explains the mining revenue.

Mining revenue for the Q1-Q3 of FY2025 was ¥191.8 billion, a 13% decrease over the previous year, as shown in the second bar graph from the right.

We analyze that revenue declined by 10% on a local currency basis, excluding the impact of yen appreciation.

In terms of new machinery sales, truck revenue declined by 56% year on year, mainly due to the absence of large-scale deliveries to Africa and Latin America seen in the previous fiscal year. Excavator sales also fell by 10%.

Additionally, parts and services revenue decreased by 5%, reflecting a continued cautious stance on customer maintenance investment in Australia and Asia.

Mining revenue accounted for 20% of consolidated revenue, down 2 percentage points year on year.

# Value chain[*1] revenue

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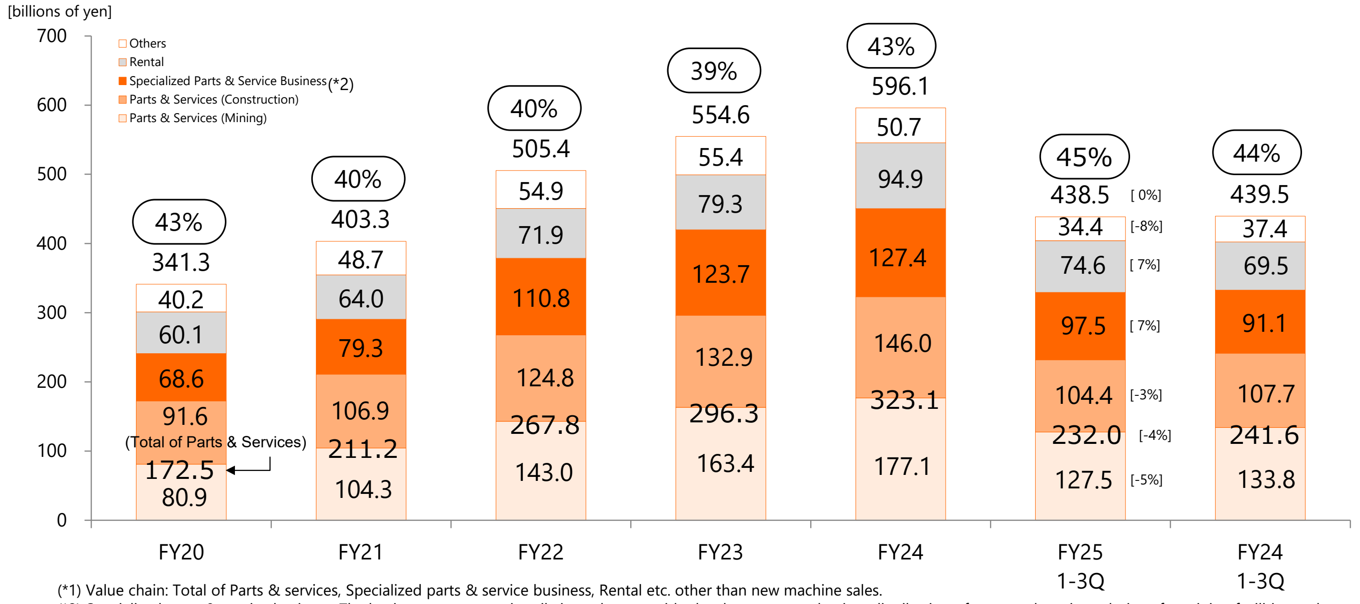
In 3Q of the year, although revenue for parts & services decreased, revenue of the specialized parts & service business and rentals increased. Excluding the impact of the yen's appreciation, revenue of the value chain business increased by 1%.




(*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.



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This slide explains the value chain revenue.

Please refer to the second bar graph from the right.

Revenue from the value chain for the Q1-Q3 of FY2025 was ¥438.5 billion, the same level as the previous year. We analyze that a decrease of ¥6.9 billion in revenue was due to the impact of yen appreciation, and on a local currency basis, revenue increased.

While revenue from parts and services declined by 4%, the rental business achieved a 7% increase and specialized parts and services saw a 7% increase.

As a result, on a local currency basis, the results for the cumulative period exceeded the previous year, which had marked a record-high revenue for the Q1-Q3. The value chain accounted for 45% of consolidated revenue, up 1 percentage point from the previous year.

## Comparison of consolidated income

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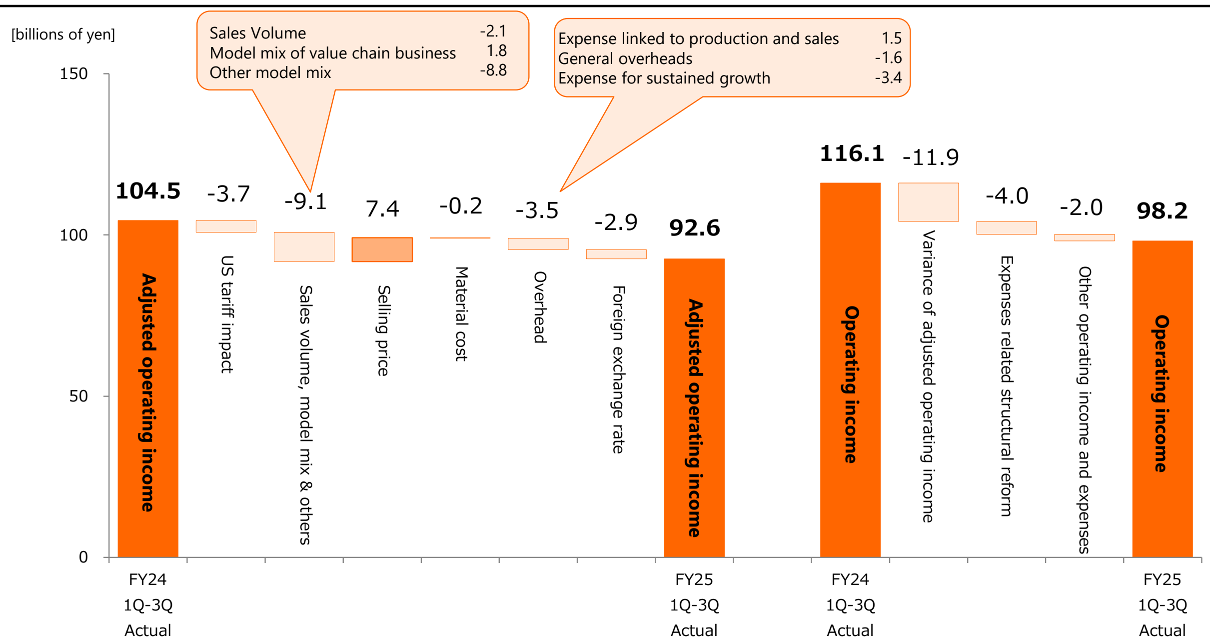
Adjusted operating income decreased y-y due to the sales volume down, region and model mix, and the yen's appreciation despite the upswing in the selling price.



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This slide explains a comparison of consolidated income for the 1-3Q.

I will explain the factors behind the ¥11.9 billion decrease in adjusted operating income compared to the previous year.

From the left side, we attribute a ¥3.7 billion decline in income to increased costs resulting from U.S. tariff policies, and a ¥9.1 billion negative impact to sales volume, model mix and others. As indicated in the note, the breakdown includes a ¥2.1 billion negative impact from sales volume, a ¥1.8 billion positive impact from improved mix driven by increased value chain revenue, and an ¥8.8 billion negative impact mainly due to regional and product mix changes, primarily stemming from reduced OEM sales in the Americas and mining new machinery sales.

On the other hand, a ¥7.4 billion improvement from sales price fluctuations offset a ¥0.2 billion increase in material costs and a ¥3.5 billion increase in indirect costs. The rise in indirect costs was mainly due to strategic expenditures related to growth investments, such as personnel expenses and depreciation costs.

In addition, the stronger yen had a negative impact of ¥2.9 billion, resulting in adjusted operating income of ¥92.6 billion. On the right side of the page, operating income was ¥98.2 billion, down ¥17.9 billion year on year, mainly due to the decline in adjusted operating income, increased structural reform-related costs, and the absence of a large one-time "other income" recorded in the previous fiscal year.

# Consolidated statement of financial position

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At the end of 3Q of the year, total assets increased by 62.9 billion yen from the end of the last fiscal year, due to the increase in inventory and the big impact of the weaker yen. The net D/E ratio improved to 0.46.

(billions of yen)

| | (A) FY25-3Q | (B) Mar '2025 | (C) FY24-3Q | (A)-(B) change |
|---|---|---|---|---|
| Cash and cash equivalents | 127.4 | 147.1 | 143.2 | -19.7 |
| Trade receivables | 252.6 | 270.9 | 247.0 | -18.3 |
| Inventories | 588.4 | 531.2 | 583.5 | 57.3 |
| Total current assets | 1,026.6 | 1,000.8 | 1,064.3 | 25.8 |
| Total non-current assets | 827.4 | 790.2 | 803.3 | 37.2 |
| Total assets | 1,853.9 | 1,791.0 | 1,867.6 | 62.9 |
| Trade receivables incl. non-current | 296.6 | 318.5 | 293.3 | -21.9 |
| Inventories by products | | | | |
| Unit | 219.2 | 205.8 | 240.5 | 13.4 |
| Parts | 182.8 | 173.4 | 176.4 | 9.4 |
| Raw materials, WIP and etc | 186.5 | 152.0 | 166.6 | 34.5 |
| Total inventories | 588.4 | 531.2 | 583.5 | 57.3 |
| On hand days(divided by revenue) | | | | [Days] |
| Trade receivables | 80 | 85 | 77 | -5 |
| Inventories | 158 | 141 | 153 | 17 |
| Trade payables | 38 | 38 | 39 | 0 |
| Net working capital | 196 | 184 | 188 | 12 |

| | (D) FY25-3Q | (E) Mar '2025 | (F) FY24-3Q | (D)-(E) change |
|---|---|---|---|---|
| Trade and other payables | 251.1 | 259.0 | 256.1 | -7.9 |
| Bonds and borrowings | 525.8 | 537.9 | 602.0 | -12.0 |
| Total liabilities | 930.7 | 933.0 | 1,009.6 | -2.3 |
| (Equity attributable to owners of the parent ratio) | (47.0%) | (45.2%) | (43.4%) | (1.8%) |
| Total equity | 923.2 | 858.0 | 857.9 | 65.3 |
| Total liabilities and equity | 1,853.9 | 1,791.0 | 1,867.6 | 62.9 |
| | (28.4%) | (30.0%) | (32.2%) | (-1.7%) |
| Interest-bearing debt | 525.8 | 537.9 | 602.0 | -12.0 |
| Cash and Cash equivalents | 127.4 | 147.1 | 143.2 | -19.7 |
| | (21.5%) | (21.8%) | (24.6%) | (-0.3%) |
| Net interest-bearing debt | 398.4 | 390.7 | 458.9 | 7.7 |
| Net D/E Ratio | 0.46 | 0.48 | 0.57 | -0.03 |



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This slide explains consolidated balance sheet as of the end of December 2025. Compared with the end of the previous fiscal year, cash and deposits decreased by ¥19.7 billion and trade receivables decreased by ¥21.9 billion, respectively. On the other hand, inventories increased by ¥57.3 billion, mainly due to higher levels of new machinery and production stock, but we analyze that it increased by ¥17.9 billion on a local currency basis.

Total assets increased by ¥62.9 billion from the end of the previous fiscal year to ¥1,853.9 billion, but we analyze that a reduction of ¥36.4 billion was achieved on a local currency basis by promoting the reduction and efficiency of working capital.

In terms of the days on hand, trade receivables shortened by 5 days to 80 days compared to the end of the previous fiscal year, while inventories extended by 17 days to 158 days. As a result, the number of net working capital days extended by 12 days to 196 days.

On the right side of the page, interest-bearing debt decreased by ¥12.0 billion from the end of the previous fiscal year, and net interest-bearing debt was ¥398.4 billion.

Total equity was ¥923.2 billion, and the equity attributable to owners of the parent ratio was 47.0%. The net D/E ratio improved to 0.46.

## Consolidated cash flow

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In 3Q of the year, the cash flow margin for operating activities was secured at 10.3%. Free cash flow increased significantly y-y.

[billions of yen]

| | FY2025 1Q-3Q | | FY2024 1Q-3Q | | change | |
|---|---|---|---|---|---|---|
| Net income (includes discontinued operations) | | 63.2 | | 69.3 | | -6.2 |
| Depreciation and amortization | 122.0 | 58.8 | 124.6 | 55.3 | -2.7 | 3.5 |
| (Increase)decrease in trade/lease receivables | | 36.6 | | 67.6 | | -31.0 |
| Increase(decrease) in inventories | 21.4 | -10.6 | 41.4 | -1.4 | -20.0 | -9.1 |
| Increase(decrease) in trade payables | | -4.6 | | -24.8 | | 20.2 |
| Others, net | | -42.7 | | -82.9 | | 40.2 |
| Net cash provided by (used in) operating activities | | 100.7 | | 83.2 | | 17.5 |
| Cash flow margin for operating activities | | 10.3% | | 8.4% | | 1.9% |
| Net cash (provided by) used in investing activities | | -33.4 | | -51.9 | | 18.6 |
| Free cash flows | | 67.3 | | 31.2 | | 36.1 |
| Net cash (provided by) used in financing activities | | -98.5 | | -33.3 | | -65.1 |

* Blue figures shows the total of each category.




This slide explains consolidated cash flow for the 1-3Q.

Operating cash flow for the Q1-Q3 was positive at ¥100.7 billion. FFO (Funds From Operations, before changes in working capital) remained at the same level as the previous year at ¥122.0 billion, and working capital reduction continued from the previous fiscal year. In addition, positive effects were seen from restrained rental asset purchases and asset sales, securing an operating cash flow margin of 10.3%.

In terms of investment cash flow, although strategic capital investments continued with ¥33.4 billion in expenditures, free cash flow was secured at ¥67.3 billion, double the previous year.

# Global Demand Trend for Hydraulic Excavators

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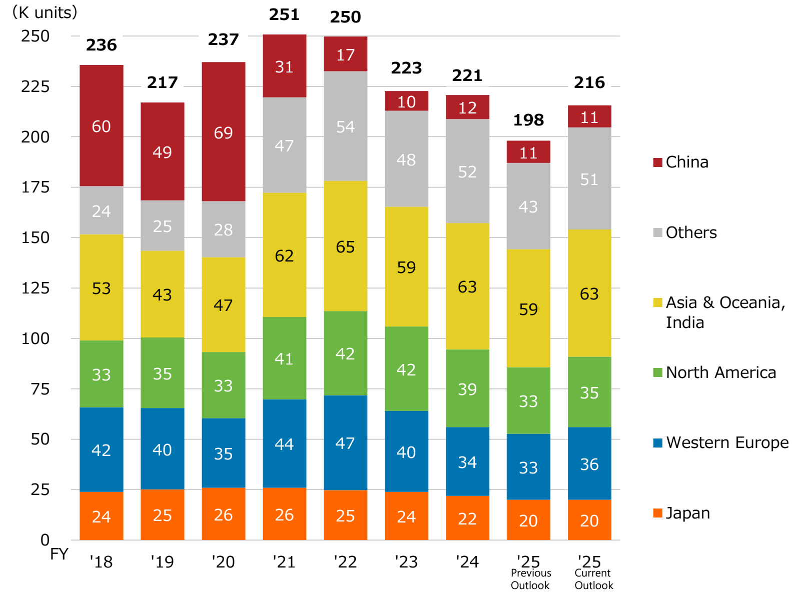
**Emerging Markets ratio:**
**FY25 58%（y-y Change : +1%)**

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




*Demand values are Hitachi Construction Machinery estimates

## Year-on-Year Change by Region

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

| | '24 | '25 |
|---|---|---|
| Total | -1% | -2% |
| China | +22% | -8% |
| Russia, CIS, E Europe | -21% | -1% |
| Africa | +55% | +16% |
| Middle East | ±0% | -11% |
| Latin America | +18% | -9% |
| Others | +8% | -2% |
| Asia | +13% | +5% |
| India | +5% | -4% |
| Oceania | -26% | ±0% |
| Asia & Oceania,India | +5% | +1% |
| N America | -8% | -9% |
| W Europe | -15% | +6% |
| Japan | -8% | -9% |





This slide explains the outlook for global demand for hydraulic excavators.

For FY2025, we have revised our previous forecast from October, projecting demand at 216 thousand units. This represents a 2% decrease year on year. Considering the impact of U.S. tariffs, uncertainty remains—particularly in North America—however, the tariff impact incorporated as a global risk in the previous forecast was limited, and we have incorporated upward revisions mainly in Western Europe and Asia.

# Mining Machinery: FY2025 (April 2025 to March 2026)

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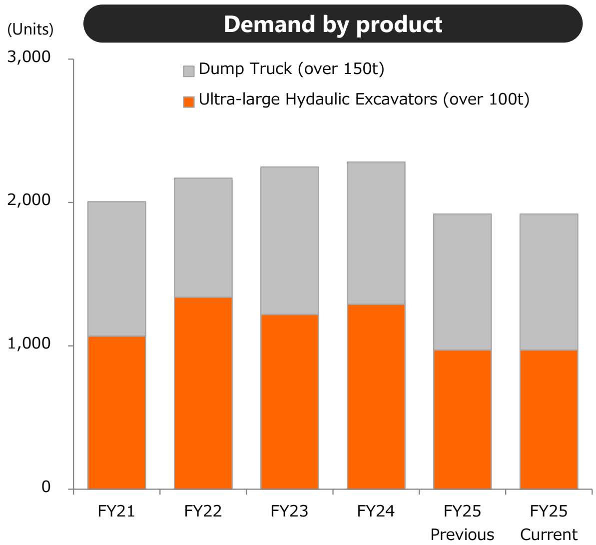
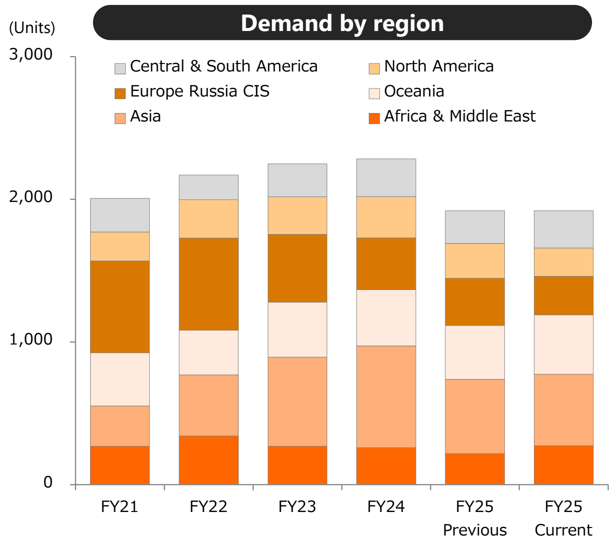
The mining machinery demand forecast for FY2025 remains unchanged from the previous forecast at a 10% to 15% decline y-y. Demand for coal declined due to adjustments in Chinese production and imports, while demand for copper and gold remains strong due to favorable resource prices.

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




*Demand values are Hitachi Construction Machinery estimates



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This slide explains the demand outlook for mining machinery in FY2025. Resource prices for coal and iron ore have been moving at low levels, around $110 for coal and $100 for iron ore, and we do not expect a recovery for the time being. On the other hand, copper and gold are expected to continue at high prices, reflecting increased demand and geopolitical risks. As the overall environment surrounding mining—such as resource prices and demand—has not changed significantly from the previous forecast, we are maintaining our previous outlook for mining machinery demand: a year-on-year decline of 10 to 15%.

# Summary of consolidated earnings forecast

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Although the uncertainties of US tariffs remain, the consolidated earnings forecast is revised upward considering the demand environment of hydraulic excavators and the current exchange rate, following the previous announcement in October 2025.

[billions of yen]

| | FY2025 Forecast | | FY2024 Actual | change amount | change % |
|---|---|---|---|---|---|
| Continuing operation | | | | | |
| Revenue | <1,320.0> | 1,370.0 | 1,371.3 | -1.3 | -0% |
| Adjusted operating income *1 | <10.0%><br><132.0> | (10.0%)<br>137.0 | (10.6%)<br>145.0 | (-0.6%)<br>-8.0 | -6% |
| Operating income | <9.8%><br><130.0> | (10.0%)<br>137.0 | (11.3%)<br>154.7 | (-1.3%)<br>-17.7 | -11% |
| Income before income taxes | <9.2%><br><121.0> | (9.3%)<br>128.0 | (9.8%)<br>134.2 | (-0.4%)<br>-6.2 | -5% |
| Net income from continuing operation | <83.0> | 87.4 | 90.4 | -3.0 | -5% |
| Net income from discontinued operation | <0.0> | 0.0 | 1.4 | -1.4 | - |
| Net income attributable to owners of the parent | <5.6%><br><74.0> | (5.7%)<br>78.0 | (5.9%)<br>81.4 | (-0.2%)<br>-3.4 | -4% |
| EBIT *2 | <131.0> | 138.5 | 147.4 | -8.9 | |

| Currency | 1Q-3Q Actual | 4Q Forecast | Year Forecast | FY2024 Actual | change |
|---|---|---|---|---|---|
| Rate (YEN/USD) | 148.7 | 150.0 | 149.1 | 152.6 | -3.5 |
| Rate (YEN/EUR) | 171.8 | 178.0 | 174.1 | 163.5 | 10.5 |
| Rate (YEN/RMB) | 20.7 | 21.3 | 20.9 | 21.1 | -0.2 |
| Rate (YEN/AUD) | 96.6 | 99.0 | 97.3 | 99.6 | -2.3 |

For FX sensitivity, please refer to appendix 1.

| | FY2025 Forecast | FY2024 Actual | change |
|---|---|---|---|
| Cash dividend per share (yen) *1 | 175 | 175 | 0 |

*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%.

*2 Blue figures at FY2025 Forecast shows previous forecast as of October 2025.





I will explain the FY2025 earnings forecast.

Although uncertainty surrounding U.S. tariff policies continues, considering the upside in demand and the foreign exchange environment, and based on the Q3 results, we are revising our full-year earnings forecast upward. Specifically, as shown on this slide, we have revised revenue to ¥1,370.0 billion, adjusted operating income to ¥137.0 billion, and net income attributable to owners of the parent to ¥78.0 billion. The adjusted operating income margin is maintained at 10%.

For the exchange rate assumptions in the Q4, we have set the U.S. dollar at ¥150 and the euro at ¥178, reflecting a weaker yen compared to the previous forecast in October. The same applies to the Chinese yuan and the Australian dollar. There is no change to the annual dividend forecast, which remains at ¥175 per share. Please refer to Appendix 1 on P.22 for reference. Currency sensitivity, which affects revenue and adjusted operating income in the Q4, is also presented.

# Consolidated revenue forecast by geographic region

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Consolidated revenue for FY2025 is expected to increase by 1% y-y excluding the impact of the yen's appreciation, driven by the revenue increase in Europe and Asia.

[billions of yen]

| | | FY2025 Forecast | | FY2024 Actual | | change | |
|---|---|---|---|---|---|---|---|
| | | | | | | amount | % |
| Japan | | 216.3 | 16% | 220.0 | 16% | -3.7 | -2% |
| Asia | | 121.1 | 9% | 118.5 | 9% | 2.6 | 2% |
| India | | 85.8 | 6% | 87.5 | 6% | -1.7 | -2% |
| Oceania | | 249.8 | 18% | 258.9 | 19% | -9.0 | -3% |
| Europe | | 200.7 | 15% | 159.7 | 12% | 41.1 | 26% |
| | N. America | 293.0 | 21% | 312.4 | 23% | -19.3 | -6% |
| | L. America | 38.7 | 3% | 43.8 | 3% | -5.1 | -12% |
| The Americas | | 331.7 | 24% | 356.1 | 26% | -24.4 | -7% |
| (Developing own business) | | (220.3) | (16%) | (210.2) | (15%) | (10.1) | (5%) |
| Russia-CIS | | 17.2 | 1% | 19.6 | 1% | -2.4 | -12% |
| M. East | | 35.1 | 3% | 33.6 | 2% | 1.5 | 4% |
| Africa | | 87.7 | 6% | 85.0 | 6% | 2.7 | 3% |
| China | | 24.6 | 2% | 32.5 | 2% | -7.9 | -24% |
| Total | | 1,370.0 | 100% | 1,371.3 | 100% | -1.3 | -0% |
| Overseas ratio | | 84% | | 84% | | | |

* FY2024 revenue present only continuing operation retroactively.





This slide explains the consolidated revenue forecast by geographic region for FY 2025.

For the current fiscal year, we have revised our October forecast for full-year revenue to ¥1,370.0 billion, the same level as the previous year. This revised outlook includes a negative impact of ¥8.4 billion due to the assumed exchange rate. On a local currency basis, however, revenue is expected to increase by 1%. We have incorporated upward revisions mainly in construction new machinery sales in Europe, Asia, and our own developing business in the Americas. The overseas sales ratio is projected to remain at 84%, the same level as the previous year.

# Mining revenue forecast

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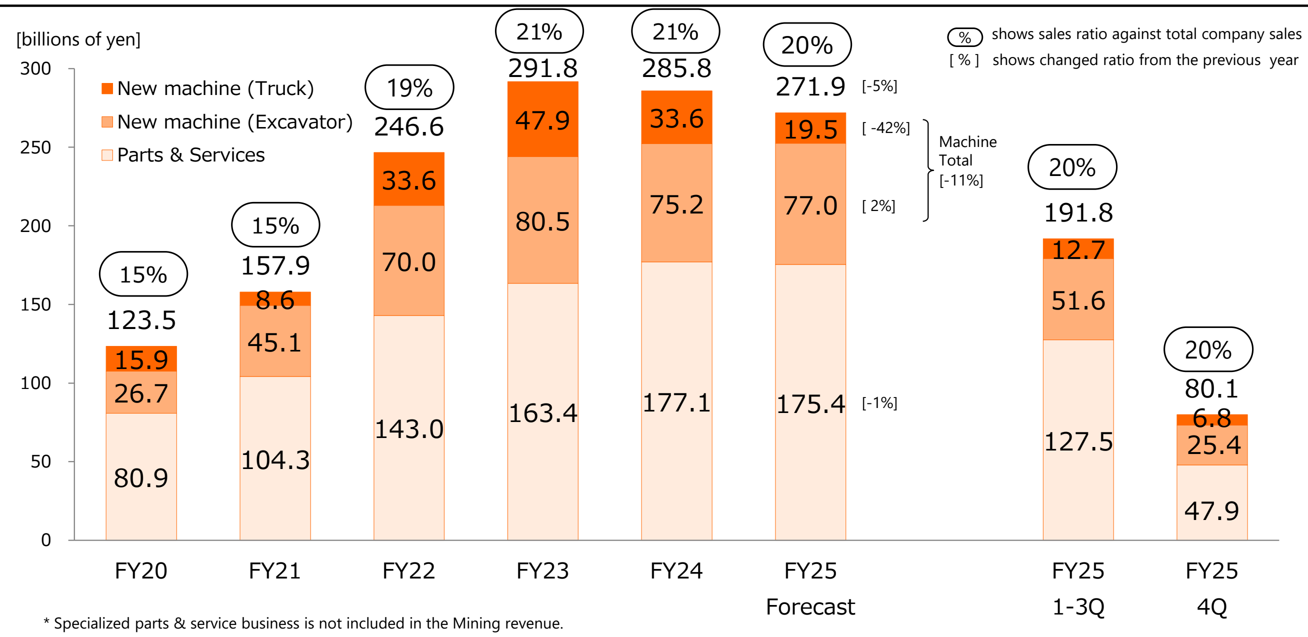
In addition to the impact of the stronger yen, sluggish resource prices led to a decline in revenue for both new machine sales and parts & services.




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





This slide explains the mining revenue forecast.

For the current fiscal year, mining revenue is expected to reach ¥271.9 billion, representing a 5% decrease compared to the previous year. We analyze a 4% decrease on a local currency basis as well. We have incorporated a downward revision compared to the October forecast, but we continue to maintain a high level of earnings.

For new machinery, including trucks and excavators, we expect an 11% decrease in revenue compared to the previous year. Meanwhile, for parts and services, a 1% decline is forecasted. The sales composition ratio is expected to be 20%, down 1 percentage point from the previous year.

Please refer to "Appendix 2: Details of mining revenue by region" on P.23 for reference.

## Value chain*1 revenue forecast

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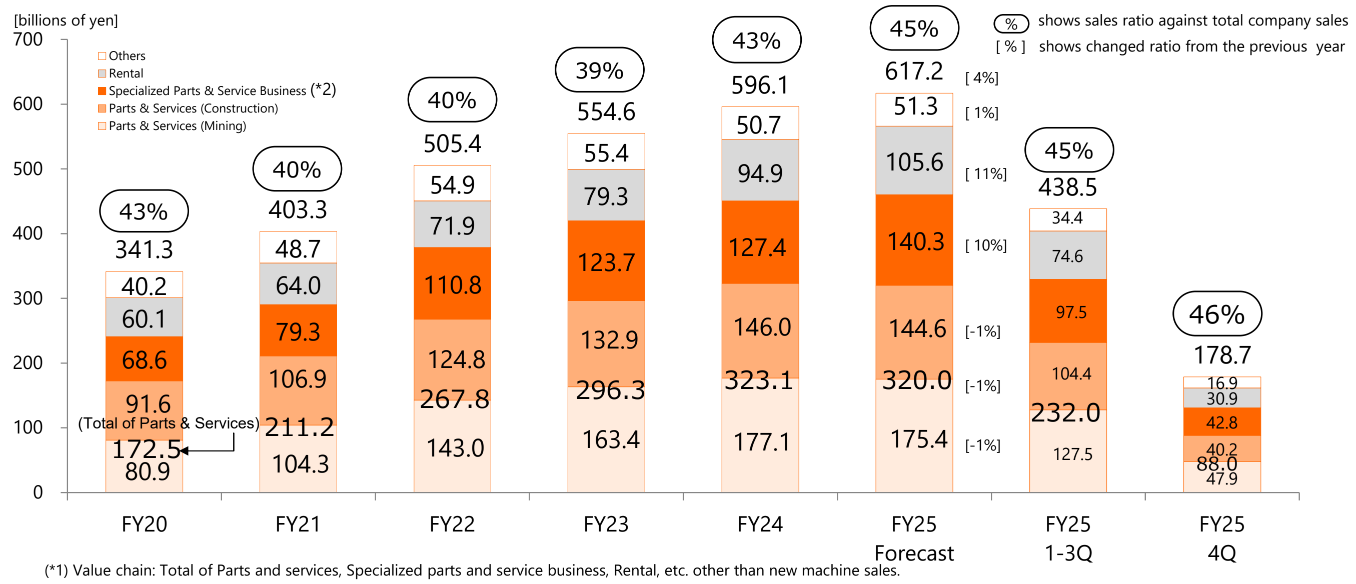
Value chain revenue is expected to increase by 4% y-y due to the increase in the specialized parts & service business and rentals.




(*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.





This slide explains the value chain revenue forecast.

For the current fiscal year, value chain revenue is expected to reach ¥617.2 billion, representing a 4% increase compared to the previous year. We have incorporated revenue increases mainly in the rental business and specialized parts and services. Based on the current quarter's results, we have revised downward our forecast for specialized parts and services compared to the previous October outlook, but we continue to aim for a new record in total value chain revenue. The sales composition ratio is projected to be 45%, up 2 percentage points from the previous year.

## Comparison of consolidated income forecast

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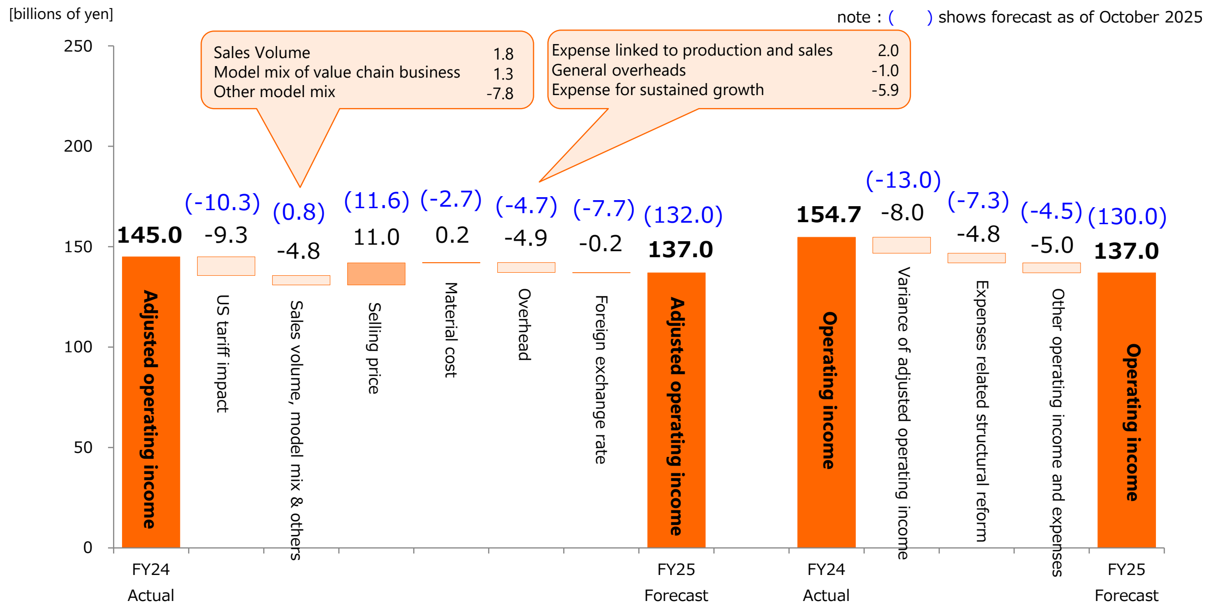
Adjusted operating income for FY2025 is expected to decrease y-y due to the upswing in costs caused by the US tariff impact, although the impact of the increase in overheads is being absorbed by the sales volume increase and upswing in the selling price.






17

This slide provides a comparison of consolidated income forecast for FY2025.

I will explain the factors behind the forecast ¥8.0 billion year-on-year decrease in adjusted operating income from the previous year to ¥137.0 billion for FY2025. First, on the far-left bar, we have incorporated a ¥9.3 billion negative impact from increased costs due to U.S. tariff policies as a major factor.

Next, we have factored in a ¥4.8 billion negative impact from sales volume, model mix and others. The breakdown includes a ¥1.8 billion positive impact from sales volume fluctuations and a ¥1.3 billion positive impact from value chain mix, while a ¥7.8 billion negative impact is incorporated mainly due to regional and product mix changes, primarily stemming from reduced OEM sales in the Americas and mining new machinery sales.

In addition, an ¥11.0 billion improvement from sales price fluctuations and a ¥0.2 billion reduction in material costs are expected to offset a ¥4.9 billion increase in indirect costs.

On the right side of the page, operating income is forecast to be ¥137.0 billion, a ¥17.7 billion decrease year on year, reflecting the decline in adjusted operating income of ¥8.0 billion, as well as the occurrence of structural reform costs and the absence of a large "other income" recorded in the 2H of the previous fiscal year.

## About tariffs (as of January 29, 2026)

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**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 August 2025, finished products were newly included in the scope of derivative items subject to expanded U.S. steel and aluminum tariffs. Effective August 18, a 50% tariff has been imposed on the purchase price of steel and aluminum materials contained in the finished product. Separately, a 15% reciprocal tariff is applied to the price excluding steel and aluminum materials.
- In the OEM business for the US, the customer bears the tariffs.

**Tariffs impact: Reflecting ¥9.3 billion in cost increases**

- Based on estimates that incorporate the sale of locally held inventory not subject to tariffs, we anticipate an annual cost increase of ¥9.3 billion on an adjusted operating income basis. The difference from the figure announced in October (¥10.3 billion) is mainly due to changes in the product mix

**Response to tariffs: Focus on passing on costs to sales prices（¥5.0 billion increase in income)**

- Selling price increases are expected to contribute ¥5.0 billion to income, ¥1.0 billion higher than the October estimate, mainly due to the additional price increase implemented in January 2026.
- We continue to implement initiatives including the expansion of our rental business and cost reduction efforts.




Lastly, we would like to provide an update on the current outlook regarding the impact of U.S. tariff policies. Since the change in August last year, when finished construction machinery was designated as subject to steel and aluminum tariffs, there has been no change in the application of U.S. tariffs since the previous earnings announcement.

A 50% tariff continues to be applied to the portion of the price attributable to steel and aluminum materials contained in finished construction machinery, and a reciprocal 15% tariff is applied to the remaining portion excluding those materials.

As for the impact of U.S. tariffs, in this forecast, we currently expect an annual cost increase of ¥9.3 billion on an adjusted operating income basis.

The difference from the previously announced figure of ¥10.3 billion is mainly due to changes in product mix.

On the other hand, we are implementing price increases to mitigate the impact of the tariffs. In addition to the increases in June and October last year, we implemented a new price increase in January, which is expected to contribute ¥5.0 billion in income.

The ¥1.0 billion difference from the previously announced figure is due to the newly incorporated January price increase. Alongside price adjustments, we will continue to strengthen our rental business and pursue cost reduction measures to minimize the overall impact. Please refer to the supplementary materials from the next page onward for further details. That concludes my remarks. Thank you very much.

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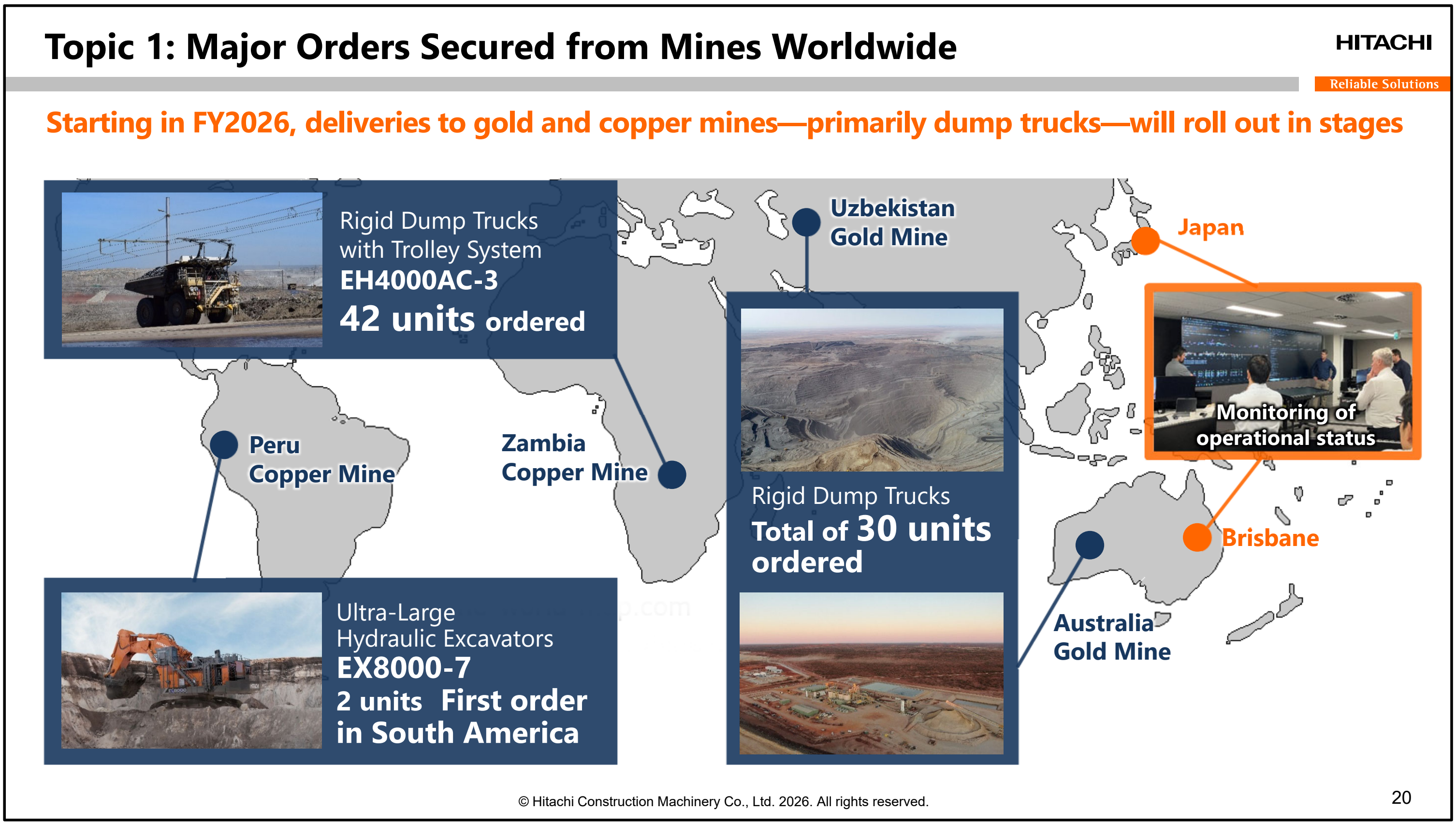
# 2. References




As the first topic, we would like to introduce several major mining orders we have secured.

To start with, in Zambia, we received an additional order for 42 units of the EH4000AC-3 rigid dump trucks with trolley system for the Kansanshi copper mine operated by First Quantum Minerals.

The company had previously ordered approximately 40 units of the same model in FY2022, and this new order will support increased production associated with the mine's expansion.

This mine is also collaborating with us on several initiatives, including a technological feasibility trial for an Ultra-large Full Battery Dump Truck.

Next, in Peru, we secured our first order in South America for two units of the EX8000-7, our largest ultra-large hydraulic excavator in the 800-ton class.

This also marks the first EX8000 contract for Hitachi Construction Machinery Latin America, our Regional Headquarters in Latin America, representing an important milestone in strengthening our presence in South America.

In addition, we received orders for a total of 30 dump trucks for mines in Australia and Uzbekistan in Central Asia.
The reliability of our products continues to be recognized, leading to broader adoption in hard-rock mining operations.

These units are scheduled for phased delivery starting in FY2026.
Going forward, we will continue to support mine operations worldwide by leveraging machine-operation data through ongoing monitoring, and by optimizing maintenance and related services.

## Topic 2: Focusing on the adoption of battery-powered excavators through a global development and demonstration system

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### Establishment of "LANDCROS Development Center Europe GmbH" in Germany (January 2026)

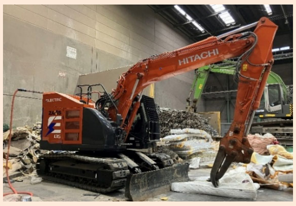
13 CLIMATE ACTION

- Strengthen development capabilities for battery-powered excavators, ICT-compatible products, and solutions
- First new company to bear the "LANDCROS" name after the announcement of the trade name and brand transition plan
- Rapidly provide higher performance products and solutions in collaboration with development partners


Battery-powered Excavator (Stockholm, Sweden)

### Enhancing Proposal Capabilities for Practical On-Site Operation Through battery-powered excavators Demonstration Tests (November–December 2025)


Testing stable operation and efficient charging of the battery-powered excavator and mobile power vehicle.


Demonstrating that the battery-powered excavator power load can be leveled during operation.


Joining test of the battery-powered excavator operation flow in the quiet-required Kyoto Gyoen.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Next, we will introduce our initiatives focused on promoting battery-powered construction machinery through a global development and demonstration system.

Hitachi Construction Machinery aims to strengthen its development capabilities for battery-powered excavators, ICT-compatible products, and solutions,

and established the "LANDCROS Development Center Europe GmbH" in Germany in January 2026.

This marks the establishment of the first new company to bear the "LANDCROS" name since the announcement of our trade name and brand transition plan.

By establishing a research and development company in Europe, a region with strict environmental regulations and strong advanced needs,

and collaborating with development partners, we aim to rapidly provide higher performance products and solutions to our customers.

In the Japanese market, we are enhancing our proposal capabilities for practical on-site operation through battery-powered excavator demonstration tests from November to December 2025, enabling us to better explain practical on-site operation methods to our customers.

We will continue to pursue the realization of carbon neutrality through co-creation with our customers.

# Appendix 1: FX rate and FX sensitivity

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The forecast exchange rate of the USD, EUR, RMB, and AUD for the 4Q of this fiscal year is changed from the previous announcement as of October 2025 for depreciation of the yen.

[billions of yen]

| Currency | FX rate | | | | FX sensitivity(4Q) | | |
|---|---|---|---|---|---|---|---|
| | FY25 | | | FY24 Actual | Condition | Revenue | Adjusted operating income |
| | 1Q-3Q Actual | 4Q Forecast | Total Forecast | | | | |
| USD | 148.7 | 150.0 | 149.1 | 152.6 | Impact by 1 yen depreciation | 0.8 | 0.4 |
| EUR | 171.8 | 178.0 | 174.1 | 163.5 | Impact by 1 yen depreciation | 0.3 | 0.1 |
| RMB | 20.7 | 21.3 | 20.9 | 21.1 | Impact by 0.1 yen depreciation | 0.0 | -0.0 |
| AUD | 96.6 | 99.0 | 97.3 | 99.6 | Impact by 1 yen depreciation | 0.7 | 0.1 |

# Appendix 2: Detail of mining revenue

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[billions of yen]

| | | FY25 Forecast | | | FY24 Actual | | | Change | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1-3Q | 4Q | Year | 1-3Q | 4Q | Year | 1-3Q | 4Q | Year |
| America | Excavator | 23.6 | 10.7 | 34.3 | 24.8 | 10.9 | 35.7 | -1.2 | -0.1 | -1.3 |
| | Dump Truck | 0.2 | 0.4 | 0.5 | 8.3 | -0.6 | 7.7 | -8.1 | 0.9 | -7.1 |
| | Total | 23.8 | 11.1 | 34.9 | 33.1 | 10.3 | 43.4 | -9.2 | 0.8 | -8.5 |
| Europe, Africa and Middle East | Excavator | 23.6 | 13.5 | 37.1 | 21.6 | 9.0 | 30.5 | 2.0 | 4.5 | 6.6 |
| | Dump Truck | 25.8 | 10.4 | 36.3 | 35.1 | 9.3 | 44.3 | -9.2 | 1.2 | -8.1 |
| | Total | 49.4 | 23.9 | 73.3 | 56.6 | 18.2 | 74.8 | -7.2 | 5.7 | -1.5 |
| Asia & Oceania | Excavator | 85.4 | 32.6 | 118.1 | 93.1 | 25.0 | 118.1 | -7.7 | 7.7 | -0.0 |
| | Dump Truck | 29.3 | 8.8 | 38.2 | 31.2 | 10.5 | 41.7 | -1.9 | -1.6 | -3.5 |
| | Total | 114.7 | 41.5 | 156.2 | 124.3 | 35.5 | 159.7 | -9.5 | 6.0 | -3.5 |
| China | Excavator | 3.1 | 3.1 | 6.2 | 5.2 | 1.4 | 6.6 | -2.1 | 1.7 | -0.3 |
| | Dump Truck | 0.0 | -0.0 | 0.0 | 0.1 | 0.0 | 0.1 | -0.1 | -0.0 | -0.1 |
| | Total | 3.1 | 3.1 | 6.2 | 5.3 | 1.4 | 6.7 | -2.2 | 1.7 | -0.4 |
| Japan | Excavator | 0.8 | 0.4 | 1.2 | 0.8 | 0.4 | 1.2 | -0.1 | 0.1 | -0.0 |
| | Dump Truck | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -0.0 | -0.0 |
| | Total | 0.8 | 0.4 | 1.2 | 0.9 | 0.4 | 1.2 | -0.1 | 0.1 | -0.0 |
| Total | Excavator | 136.5 | 60.4 | 196.9 | 145.5 | 46.6 | 192.0 | -9.0 | 13.9 | 4.9 |
| | Dump Truck | 55.3 | 19.6 | 75.0 | 74.6 | 19.2 | 93.8 | -19.3 | 0.4 | -18.8 |
| | Total | 191.8 | 80.1 | 271.9 | 220.1 | 65.8 | 285.8 | -28.3 | 14.3 | -14.0 |

# Appendix 3: Segment information

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The amortizations of PPA are included in the adjusted operating income of the specialized Parts & Service Business : 1.5 billion yen in FY2025 1Q-3Q, and 1.9 billion yen in the forecast for FY2025.

[billions of yen]

| FY2025 1Q-3Q Actual | Reportable segment | | | | Adjustments *1 | Total | |
|---|---|---|---|---|---|---|---|
| | Construction Machinery Business | | Specialized Parts & Service Business | | | | |
| Revenue | | 881.9 | | 103.7 | -6.3 | | 979.3 |
| Adjusted operating income | 9.6% | 85.0 | 7.4% | 7.6 | - | 9.5% | 92.6 |

[billions of yen]

| FY2025 Forecast | Reportable segment | | | | Adjustments *1 | Total | |
|---|---|---|---|---|---|---|---|
| | Construction Machinery Business | | Specialized Parts & Service Business | | | | |
| Revenue | | 1,229.7 | | 146.6 | -6.3 | | 1,370.0 |
| Adjusted operating income | 10.1% | 123.9 | 8.9% | 13.1 | - | 10.0% | 137.0 |

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

## Appendix4 : Summary of quarterly consolidated revenue and operating income (ratio)

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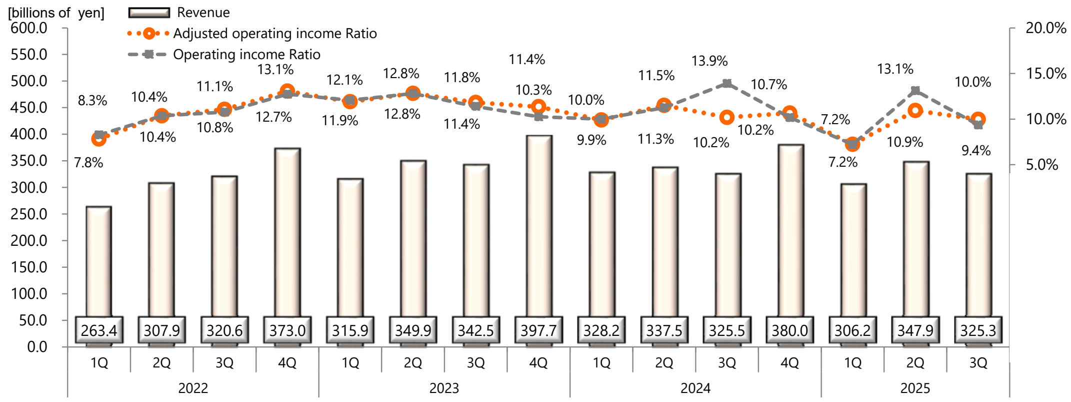
[billions of yen]

| | 2022 | | | | 2023 | | | | 2024 | | | | 2025 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Revenue | 263.4 | 307.9 | 320.6 | 373.0 | 315.9 | 349.9 | 342.5 | 397.7 | 328.2 | 337.5 | 325.5 | 380.0 | 306.2 | 347.9 | 325.3 |
| Adjusted operating income | 20.6 | 31.9 | 35.5 | 48.7 | 37.6 | 44.9 | 40.5 | 45.1 | 32.5 | 38.8 | 33.2 | 40.5 | 22.1 | 38.0 | 32.4 |
| Operating income | 21.8 | 31.9 | 34.5 | 47.5 | 38.1 | 44.8 | 39.0 | 40.8 | 32.8 | 38.0 | 45.3 | 38.7 | 22.1 | 45.6 | 30.4 |




| FX rate | 2022 | | | | 2023 | | | | 2024 | | | | 2025 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Rate (YEN/USD) | 129.6 | 138.4 | 141.6 | 132.3 | 137.4 | 144.6 | 147.9 | 148.6 | 155.9 | 149.4 | 152.4 | 152.6 | 144.6 | 147.5 | 154.2 |
| Rate (YEN/EUR) | 138.1 | 139.3 | 144.3 | 142.1 | 149.5 | 157.3 | 159.1 | 161.3 | 167.9 | 164.0 | 162.6 | 160.5 | 163.8 | 172.3 | 179.4 |
| Rate (YEN/RMB) | 19.6 | 20.2 | 19.9 | 19.3 | 19.6 | 19.9 | 20.4 | 20.6 | 21.5 | 20.8 | 21.2 | 21.0 | 20.0 | 20.6 | 21.7 |
| Rate (YEN/AUD) | 92.6 | 94.5 | 92.9 | 90.6 | 91.8 | 94.7 | 96.3 | 97.7 | 102.7 | 100.0 | 99.5 | 95.8 | 92.6 | 96.5 | 101.2 |

# Japan: Third Quarter (Oct to Dec 2025)

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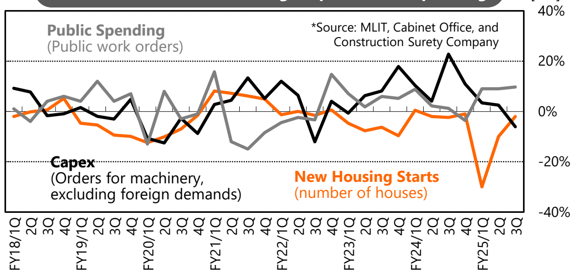
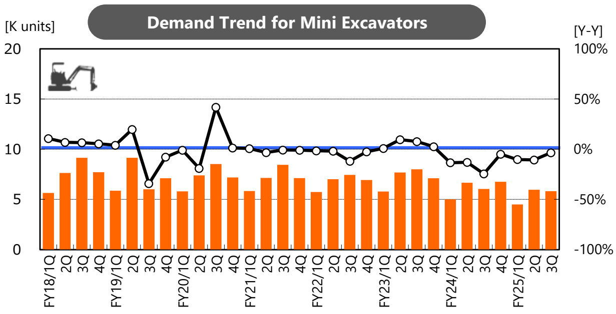
- New Housing Starts slightly decreased, Capex decreased and Public Spending increased.
- Demand for Hydraulic Excavators decreased: Hydraulic Excavators -14%, Mini Excavators -4%, Wheel Loaders -3% y-y.

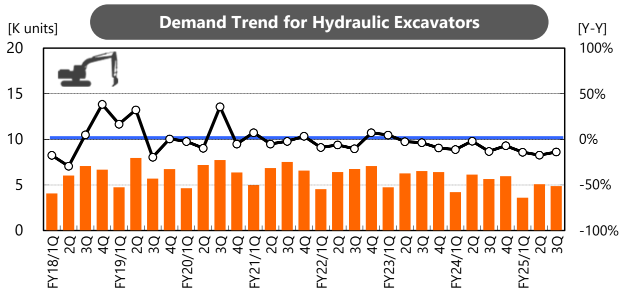
**Market Environment Housing, Capex, Public Spending**



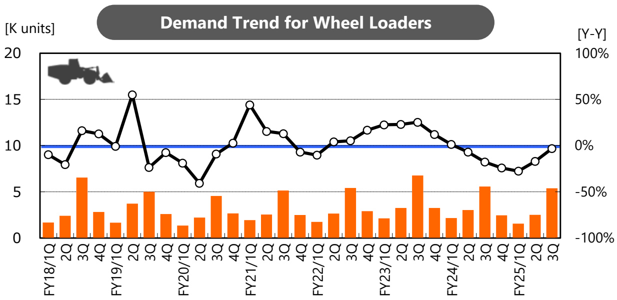

**Demand Trend for Mini Excavators**




**Demand Trend for Hydraulic Excavators**




**Demand Trend for Wheel Loaders**

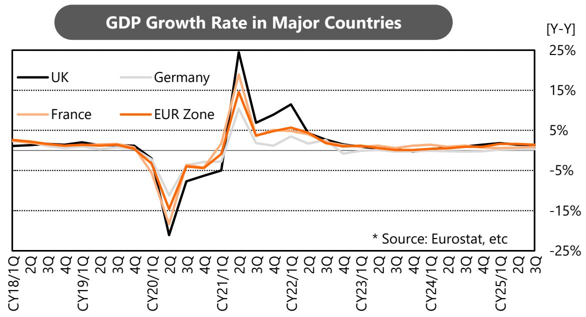



*Demand values are Hitachi Construction Machinery estimates

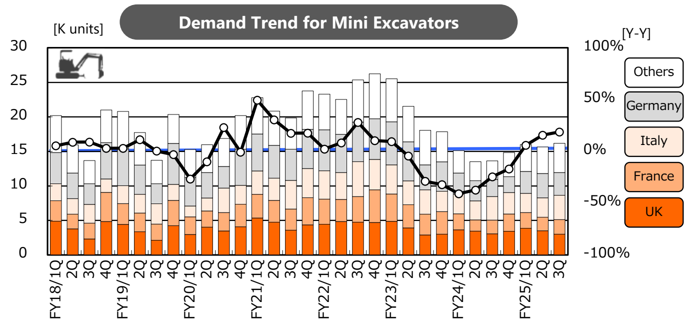
# Europe: Third Quarter (Oct to Dec 2025)

- GDP in CY25 3Q has been growing at a low rate.
- Demand for Hydraulic Excavators increased: Hydraulic Excavators +13%, Mini Excavators +19%, Wheel Loaders +28 % y-y

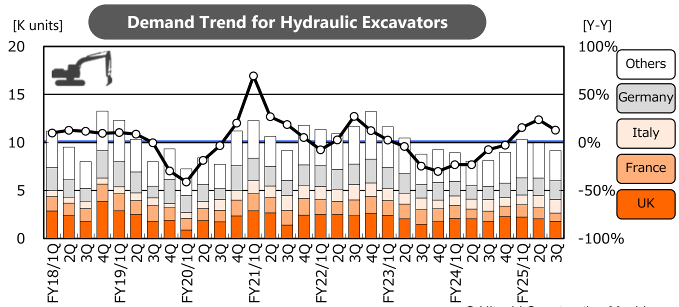
**GDP Growth Rate in Major Countries**



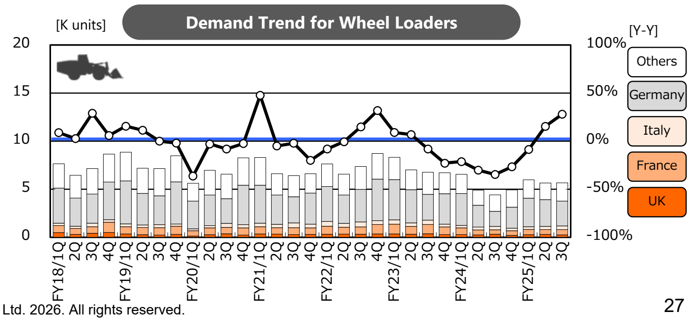

**Demand Trend for Mini Excavators**




**Demand Trend for Hydraulic Excavators**




**Demand Trend for Wheel Loaders**




*Demand values are Hitachi Construction Machinery estimates

# North America: Third Quarter (Oct to Dec 2025)

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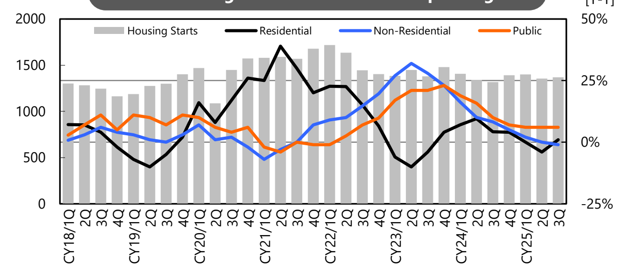
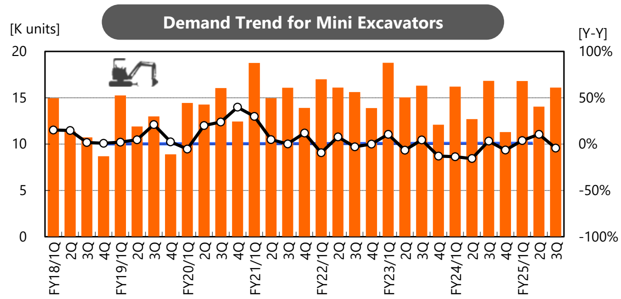
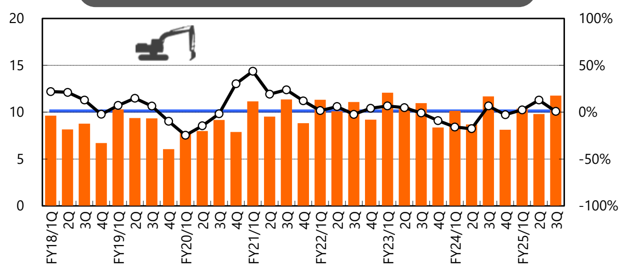
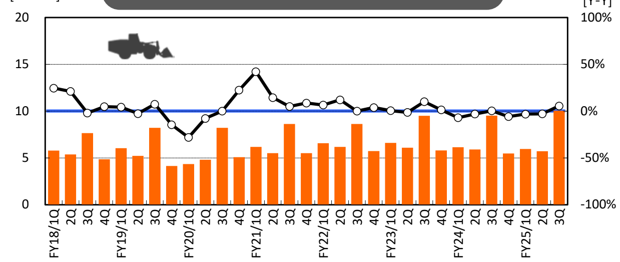
- Residential slightly increased, Non-Residential slightly decreased, Public Works increased, Housing Starts slightly increased.
- Demand for Hydraulic Excavators slightly increased: Hydraulic Excavators +1%, Mini Excavators -4%, Wheel Loaders +6% y-y.




*Demand values are Hitachi Construction Machinery estimates

# Asia Pacific & China: Third Quarter (Oct to Dec 2025)

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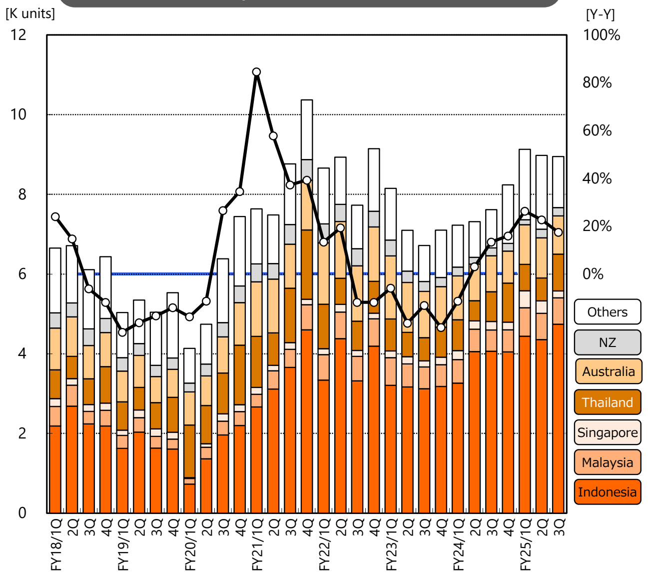
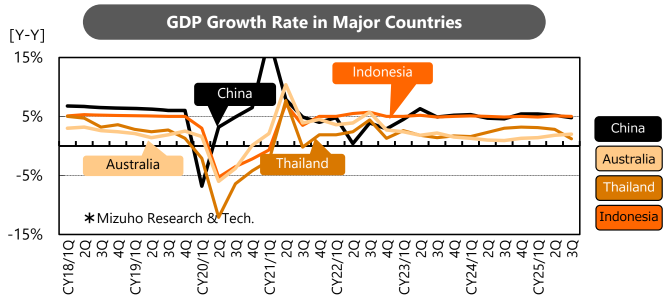
- Demand for Hydraulic Excavators in the Asia & Oceania region slightly decreased +17% y-y.
- Demand for Hydraulic Excavators in China slightly increased +6% y-y. (Domestic Mfr. :+8%, Foreign Mfr. :-4%)

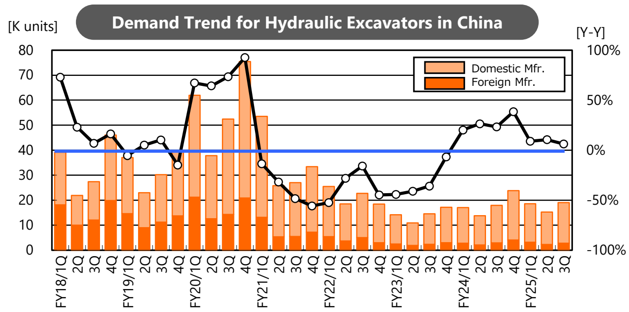
**Demand Trend for Hydraulic Excavators in Asia & Oceania**




**GDP Growth Rate in Major Countries**




**Demand Trend for Hydraulic Excavators in China**




*Demand values are Hitachi Construction Machinery estimates

# India, Middle East, Africa: Third Quarter (Oct to Dec 2025)

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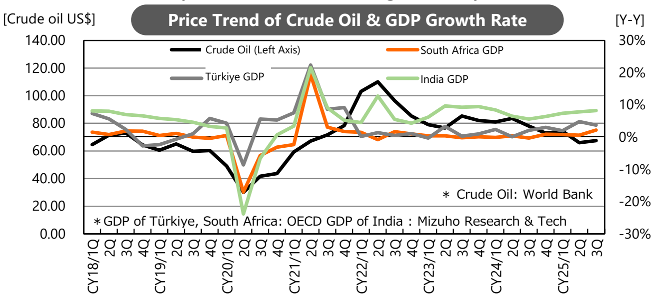
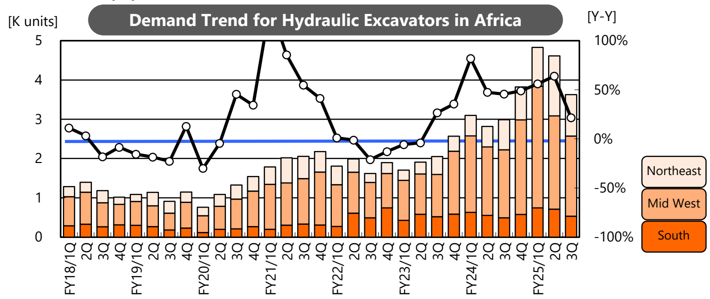
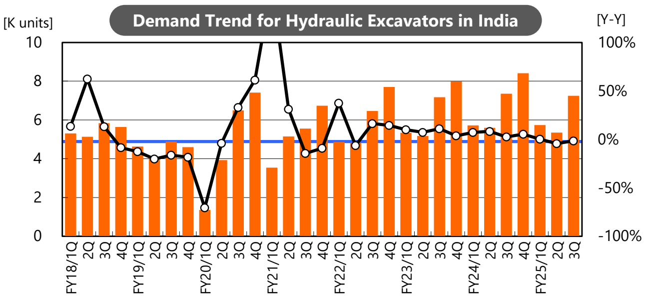
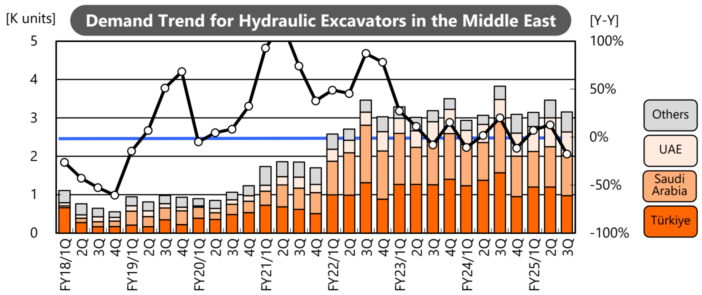
- Demand for Hydraulic Excavators slightly decreased in India -2% y-y.
- Demand for Hydraulic Excavators significantly increased in Africa +21% y-y.
- Demand for Hydraulic Excavators significantly decreased in the Middle East -18% y-y.




*Demand values are Hitachi Construction Machinery estimates

# BB Ratio

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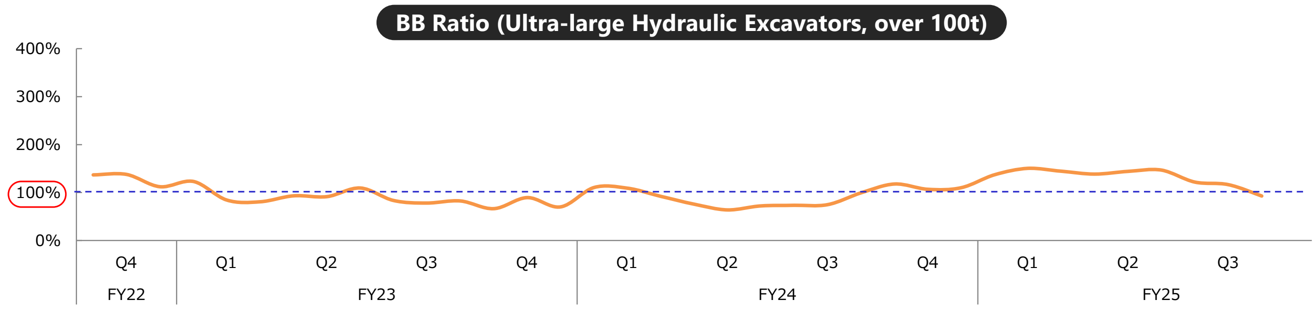


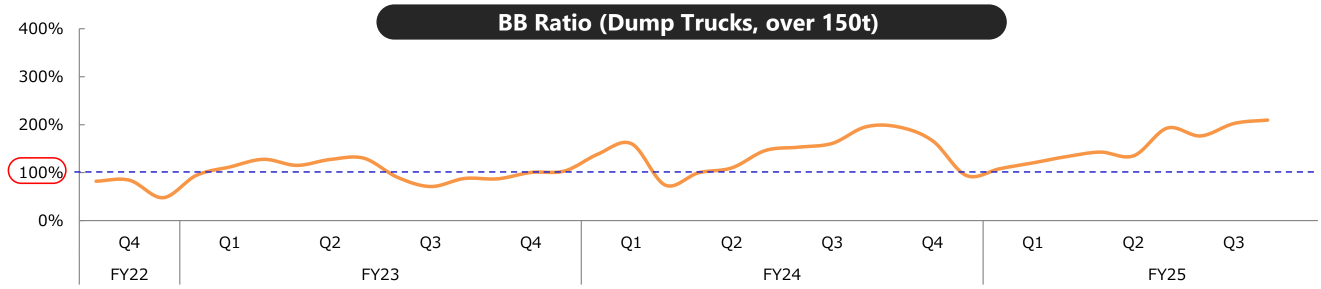


※Book-to-Bill(BB) Ratio = Booking (value of orders received)/Billing (value of shipments)
Non-consolidated basis (average of 6-months)

# 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.

**Trademark notice**



January 29, 2026

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