

Company name: Hitachi Construction Machinery Co.,
Ltd.
Representative: Michijiro Kikawa
President
Stock code: 6305, first section of the Tokyo Stock
Exchange and Osaka Securities
Exchange
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November 29, 2011

To interested parties

Announcement of share transfer of a subsidiary

Please be informed that Hitachi Construction Machinery Co., Ltd. has decided to transfer all of the shares of TCM Corporation, a wholly owned subsidiary of Hitachi Construction Machinery, as detailed below.

With regard to matters that have not yet been decided, we will disclose such matters as soon as they become available as "Matters to be disclosed that have become available".

1. Reasons for transfer of the shares

The global market of forklifts, which shrank after the financial crisis, has recovered and is expected to grow strongly lead by demand in developing countries. Demand for environmentally friendly forklifts such as those that emit less exhaust gas is rising, particularly in developed countries where environmental regulations are tightening. Strategic mergers, acquisitions and alliances are vital for Japanese forklift manufacturers to raise their shares in growing markets, because without doing so they lack the size to increase their market shares, despite having technologies that excel.

Considering the market circumstances as described above, Hitachi Construction Machinery has reached a basic agreement with Innovation Network Corporation of Japan (referred to as "INCJ" below) and Nissan Motor Co., Ltd. (referred to as "Nissan" below) to unite the forklift business of Nissan and that of the subsidiary of Hitachi Construction Machinery in a new company (referred to as the "New Company" below), which will be set up and operated mainly by INCJ. INCJ, Nissan and Hitachi Construction Machinery will conclude a formal contract that has binding force, without delay, and Hitachi Construction Machinery is planning to transfer all of the shares of TCM, a wholly owned subsidiary of Hitachi Construction Machinery operating a forklift business, to the New Company in spring in 2012 on the condition that the relevant authorities grant their approvals, etc.

INCJ will hold the majority of the shares with voting rights of the New Company, and Nissan and Hitachi Construction Machinery will hold the shares with voting rights of the New Company appropriately.

2. Outline of the subsidiary (TCM) to be transferred

As of September 30, 2011

(1) Name	TCM Corporation		
(2) Address	1-15-10 Kyomachibori, Nishi-ku, Osaka		
(3) Name and position of the representative	Hideo Arahata President		
(4) Business	The development, manufacture and sale of industrial vehicles, construction vehicles, special vehicles and other vehicles		
(5) Capital	¥9,760 million		
(6) Date of establishment	February 17, 1949		
(7) Major shareholders and shareholding ratio	Hitachi Construction Machinery Co., Ltd.: 100%		
(8) Relationship between Hitachi Construction Machinery and TCM	Capital	Hitachi Construction Machinery holds all of the shares of TCM.	
	Personnel	An executive officer of Hitachi Construction Machinery works as a director of TCM, one employee of Hitachi Construction Machinery holds the additional post of an auditor of TCM. In addition, Hitachi Construction Machinery seconds three employees to TCM.	
	Transactions	Hitachi Construction Machinery supplies wheel loaders manufactured by Hitachi Construction Machinery to TCM on a continuous basis. There are no transactions worthy of special mention between the affiliates of Hitachi Construction Machinery and the affiliates of TCM.	
(9) Consolidated business results and consolidated financial conditions of TCM over the last three years			
	Fiscal year ended March 2009	Fiscal year ended March 2010	Fiscal year ended March 2011
Consolidated net assets	¥14,591 million	¥12,745 million	¥13,720 million
Consolidated total assets	¥85,370 million	¥67,967 million	¥52,261 million
Consolidated book value per share	¥133.30	¥117.89	¥127.65
Consolidated sales	¥124,674 million	¥78,788 million	¥72,477 million
Consolidated operating income	-¥1,125 million	-¥2,142 million	¥1,669 million
Consolidated ordinary income	-¥2,331 million	-¥2,581 million	¥1,518 million
Consolidated net income	-¥5,886 million	-¥1,238 million	¥1,226 million
Consolidated net income per share	¥-55.83	-¥11.76	¥11.64
Dividend per share	¥0	¥0	¥0

3. Outline of the transferee of the shares

(1) Name	Unicarriers Corporation (tentative)
(3) Name of the representative	Satoru Omori (tentative)

The company that will be the transferee of the shares has not yet been set up, so the details of the company are not available. The details will be disclosed as soon as they become available.

4. Number of shares to be transferred, the transfer price, the state of holding of the shares before and after the transfer

(1) Number of shares held before the transfer	105,298,000 (number of voting rights: 105,298,000) (percentage of holding: 100%)
(2) Number of shares to be transferred	105,298,000 (number of voting rights: 105,298,000) (percentage among outstanding shares: 100%) (transfer price: to be decided)
(3) Number of shares held after the transfer	0 (number of voting rights: 0) (percentage of holding: 0%)

5. Schedule

(1) Date of resolution of the board of directors	November 29, 2011
(2) Date of transfer of the shares	Planned to be spring 2012

6. Business prospect

The effects, etc., of the share transfer on the consolidated business results of the fiscal year ending March 2012 are being investigated. Should it become necessary to amend the business results forecast, such information will be disclosed, without delay.

Reference: Forecast of consolidated business results of this fiscal year (announced on October 25, 2011) and consolidated business results of the previous year

	Consolidated sales	Consolidated operating income	Consolidated ordinary income	Consolidated net income
Forecast of consolidated business results of this fiscal year (fiscal year ending March 2012)	¥860,000 million	¥65,000 million	¥56,000 million	¥23,000 million
Consolidated business results of the previous year (fiscal year ended March 2011)	¥773,769 million	¥41,511 million	¥41,912 million	¥11,088 million