

Acceleration of Research and Development

Reorganization of Development, Production and Remanufacturing Bases in Japan

The Hitachi Construction Machinery Group is reorganizing its main domestic development and production bases in order to enhance global competitiveness. In May 2023, research and development bases for construction and mining machinery were relocated and consolidated at the Tsuchiura Works.

As a part of this initiative, in order to expand and develop our remanufacturing business globally, we will consolidate and integrate our remanufacturing facilities, which are dispersed between the Tsuchiura and Hitachinaka works (both Ibaraki Prefecture), at the Banshu Works (Hyogo Prefecture) from fiscal

2024. In doing so, we aim to expand and increase efficiency in the parts and vehicle remanufacturing businesses. The consolidation of these businesses will free the facilities and space currently used for remanufacturing at the two works for repurposing, enabling the further expansion of production capacity for new vehicles and components.

Hitachi Construction Machinery's plans call for consolidating the remanufacturing business's domestic facilities at the Banshu Works. By doing so, we will expand this business and enhance its efficiency. At the same time, we will strengthen collaboration with overseas remanufacturing bases, establishing the Banshu Works as a mother plant for global remanufacturing while pushing forward various initiatives.

Initiatives for the Development of Remote Operation and Automation Solutions for Construction Machinery

In the construction industry, the decline in the productive labor force and the aging of skilled workers have made it a challenge to improve productivity through labor savings. As one solution to this problem, our customers in the industry are looking for construction machinery that can be remotely controlled and automated to operate autonomously. In May 2023, Hitachi Construction Machinery developed a baseline model for hydraulic excavators compatible with remote operation and automation solutions. The creation of a hydraulic excavator that can be operated remotely requires considerable modifications to the machine and the setup of peripheral equipment. To address challenges at construction sites, there was a need for a baseline model for co-creating automated solutions with customers and facilitating the introduction of remotely operated hydraulic excavators.

Since our development of ZCORE, a system platform to support the autonomous operation of construction machinery in 2020, we have progressed with R&D based on this concept. Looking ahead, we will take steps to develop solutions tailored to our customers' construction projects, for example, augmenting driving assistance functions for remote excavation and loading operations and automating certain repetitive operations like digging, rotating and loading.



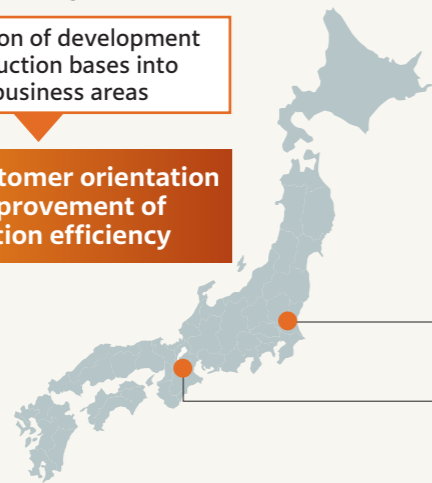
Remote operation of a baseline model

Phased reorganization of development and production bases starting in FY2018 Scheduled for completion in FY2027

Major development and production bases of complete machinery after reorganization

Consolidation of development and production bases into three business areas

Shift to customer orientation and improvement of production efficiency



Construction

Development: Tsuchiura Works Production: Tsuchiura/Ryugasaki Works



Mining

Development: Tsuchiura Works Production: Hitachinaka-Rinko Works



Compact

Development/Production: Hitachi Construction Machinery Tierra

