

Strengths We Have Gained

In the course of conducting its construction machinery business, Hitachi Construction Machinery since its founding has accumulated diverse types of capital while reforming its business model. This capital now provides us with a source of strength. We will create more value by making strategic use of these different types of capital and expanding them further.

Note: The figures are actual results for FY2024 or data as of the end of March 2025.

Financial Capital

Sound financial structure

We are building a stable management foundation by stabilizing our cash flow and enhancing risk management. We prioritize the allocation of profit made through our business activities to making proactive investments and ensuring the stability of our management/financial foundation for sustainable growth and greater corporate value. We are also committed to disclosing all necessary information for highly transparent corporate management.



- Equity attributable to owners of the parent (Shareholders' equity): 809.3 billion yen
- Net interest-bearing debt: 390.7 billion yen
- Consolidated dividend payout ratio: 45.7%

Manufacturing Capital

Establishment of a global production system

The Hitachi Construction Machinery Group has production sites in the Netherlands, Indonesia, India and other regions to assure delivery of products with global top-level quality and reliability. We also have parts remanufacturing bases around the world to establish a global support system that enables us to promptly serve customers in response to their needs.



- Production sites: 13 in Japan, 10 overseas
- Expanded investment in global bases (50 billion yen by FY2027)
- Development of a global parts remanufacturing business

Intellectual Capital

Corporate culture conducive to the development of innovative technologies

Since its founding in 1970, Hitachi Construction Machinery has been accumulating its unique technologies and know-how for construction machinery, including hydraulic excavators. We have particular strengths in hydraulic, electronic control, remote operation and autonomous driving technologies. Recently, we have built a system for our intellectual assets and have been implementing measures to improve our digital skills on a companywide basis.



- Research and development investment: 37.5 billion yen
- Overseas patent application ratio: 30% or more
- Various patent rights, expertise in on-site operations

Human Capital

Empowerment of diverse people who share our values

The Hitachi Construction Machinery Group has employees with diverse backgrounds working around the world and is fostering workforce management in an integrated manner while respecting their autonomy. Based on the *Kenkijin* Spirit, the Group is working on the global sharing of values and boosting employee engagement on a global scale.



- Consolidated number of employees: 26,101
- Geographical diversity: 39.5% working in Japan and 60.5% overseas
- Five independent outside directors (3 men and 2 women)

Social and Relationship Capital

Strong relationships of trust with stakeholders

By making effective use of digital technologies, the Hitachi Construction Machinery Group is enhancing solutions to be offered to customers through various contact points in cooperation with the customers themselves as well as with its dealers and business partners. In particular, for the ConSite solution, which we have been providing since 2013, the number of ConSite-equipped machines has reached 280,000 units.



- Number of machines in operation: Around 410,000 units globally
- Sales network connecting 9 global divisions
- Business operations in more than 100 countries and regions around the world

Natural Capital

Contribution to the reduction of environmental impact throughout product life cycles

We attribute importance to reducing the environmental impact of our products in their design stage and are committed to reducing their environmental impact throughout their life cycles by measures such as electrifying construction machines, enhancing their energy-saving performance and reducing their exhaust gases. We are also enhancing the value chain business, including the rental and used equipment business and the parts and services business, to contribute to the effective use of resources and the reduction of waste.



- CO₂ emissions reduction for production (Scopes 1+2) (Total): 43.0% relative to FY2010
- CO₂ emissions reduction for products (Scope 3 Category 11) (Total): 24.0% relative to FY2010
- Growth rate of the number of machines in long-term operation*: +22.3% relative to FY2022

* Growth in the proportion of machines in long-term operation (60,000 hours or longer) to the total number of active mining machines