

Notice of Change in Position of President and Representative Executive Officer

The following President and Representative Executive Officer appointment was approved at a meeting of the Board of Directors held on February 27, 2006.

1. Reason for Change in President and CEO

Since Shungo Dazai assumed the position of President in April 2003, he has promoted the medium-term management plan and operational globalization centered around the concept of *monozukuri* (product creation). With the prospects good for achieving a fifth consecutive year of increased sales and income, a fourth consecutive year of record income and the targets of the medium-term management plan, President Dazai determined that it was time to make way for new management before drafting the new management plan in preparation for meeting the rise in global demand for construction machinery and ensuring continued growth.

2. Biography for New President and CEO

New Title: President, Chief Executive Officer and Director

Name: Michijiro Kikawa

Birthplace: Fukuoka Prefecture

Birthdate: August 2, 1947

Biography:

- 1970 April Entered Hitachi Construction Machinery Co., Ltd. (manufacturing company)
- 1970 October Entered Hitachi Construction Machinery Co., Ltd.
- 1992 February Promoted to General Manager of the Production Engineering Department for Tsuchiura Works
- 1995 May Promoted to Managing Director for Hitachi Construction Machinery (China) Co., Ltd.
- 2001 June Promoted to Executive Officer
- 2002 June Promoted to Vice President, Executive Officer and Chairman for Hitachi Construction Machinery (China) Co., Ltd.
- 2003 April Promoted to Senior Vice President and Executive Officer
- 2003 June Promoted to Senior Vice President, Executive Officer and President for the Marketing & Development Group
- 2005 April Promoted to Executive Vice President and Representative Executive Officer
- 2005 June Promoted to Executive Vice President, Representative Executive Officer and Director

3. Biography for New Executive Vice President

New Title: Executive Vice President, Representative Executive Officer and Director

Name: Yasuhiko Nakaura

Birthplace: Ehime Prefecture

Birthdate: May 14, 1944

Biography:

- 1968 April Entered Hitachi Construction Machinery Co., Ltd. (pre-merger)
- 1969 October Entered Hitachi, Ltd.
- 1970 October Entered Hitachi Construction Machinery Co., Ltd.
- 1989 August Promoted to General Manager for the Overseas Cooperation Division, International Group
- 1990 February Promoted to General Manager for the Planning Division, International Group
- 2001 June Promoted to Executive Officer

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| 2002 January | Promoted to Chairman of Hitachi Construction Machinery (Europe) N.V. |
| 2003 April | Promoted to Vice President and Executive Officer |
| 2003 June | Promoted to Vice President, Executive Officer and General Manager of the Europe, Middle East & Africa Business Division, and President of Hitachi Construction Machinery (Europe) N.V. |
| 2005 April | Promoted to Senior Vice President, Executive Officer and Deputy General Manager of the Marketing Group |
| 2005 June | Senior Vice President, Executive Officer and Director |

4. Scheduled Date for Appointments: April 1, 2006

5. Retiring Executive Officer: Tadamichi Sakiyama

6. Scheduled Date for Retirement: March 31, 2006