



October 25, 2017

Corporate name Hitachi Construction Machinery Co., Ltd.
(Code: 6305, First Section of the Tokyo Stock Exchange)

Name of representative Kotaro Hirano
President and Executive Officer

Our parent company Hitachi, Ltd. (Code: 6501)

Name of representative Toshiaki Higashihara
Representative Executive Officer, President & COO

Revisions to the Consolidated Earnings Forecast

Hitachi Construction Machinery Co., Ltd. hereby announces its revisions to the consolidated earnings forecast for the fiscal year of March 2018 (April 1, 2017 – March 31, 2018) published on July 27, 2017. The details are as follows.

Consolidated earnings for the FY2018 (April 1, 2017 to March 31, 2018)

| | Revenue | Adjusted Operating income | Operating income | Income before income taxes | Net income attributable to owners of the parent | Net income attributable to owners of the parent per share (basic) |
|-----------------------------------|----------------------|---------------------------|---------------------|----------------------------|---|---|
| Previous forecast (A) | ¥Millions 810,000 | ¥Millions 46,000 | ¥Millions 44,000 | ¥Millions 37,000 | ¥Millions 18,000 | Yen 84 64 |
| Forecast (B) | 890,000 | 57,000 | 55,000 | 51,000 | 30,000 | 141 07 |
| Amount of increase/decrease (B-A) | 80,000 | 11,000 | 11,000 | 14,000 | 12,000 | — |
| Rate of increase/decrease (%) | 9.9 | 23.9 | 25.0 | 37.8 | 66.7 | — |
| (Reference) FY 2016 | ¥Millions 753,947 | ¥Millions 28,265 | ¥Millions 23,622 | ¥Millions 23,859 | ¥Millions 8,022 | Yen 37 72 |

Reason for the revisions

Hitachi Construction Machinery Co., Ltd. revised the consolidated earnings forecast for the full year ending March 2018 (from April 1, 2017 to March 31, 2018) announced on July 27th due to a favorable sales forecast from the higher demand beyond our expectations mainly in China, North America, and Europe. We changed the previous demand outlook for hydraulic excavators from the 185,000 units announced on July 27th to 194,000 units because of the global demand increase except in the Middle East and Africa during the first half of FY2017.

The assumed foreign exchange rate applied from the third quarter onward remains ¥105 for one US dollar, ¥110 for one Euro, and ¥15.0 for Chinese yuan.