



October 27, 2016

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

Name of representative Yuichi Tsujimoto  
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Our parent company Hitachi, Ltd. (Code: 6501)

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Representative Executive Officer, President & COO

## Notice Concerning Difference between Forecast and Actual Financial Result

Hitachi Construction Machinery Co., Ltd. hereby announces that the actual financial result for the first half of the fiscal year 2016 reported today is different from the forecast announced on July 27<sup>th</sup>. The details are as follows.

### Consolidated earnings for the first half of fiscal year of 2016 (April 1, 2016 to September 30, 2016)

	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 335,000	¥Millions 6,200	¥Millions 6,500	¥Millions 3,000	¥Millions 2,000	Yen 9.40
Result (B)	334,937	6,026	4,367	3,645	2,265	10.65
Amount of increase/decrease (B-A)	(63)	(174)	(2,133)	645	265	—
Rate of increase/decrease (%)	0	(2.8)	(32.8)	21.5	13.3	—
(Reference) First half of fiscal year 2015	¥Millions 365,090	¥Millions 16,444	¥Millions 16,035	¥Millions 10,894	¥Millions 6,844	Yen 32.19

### Reason for the differences

With regards to consolidated financial result for this term (April 1, 2016 to September 30, 2016), revenue was almost the same as the previous outlook and adjusted operating income decreased by only 2.8% year on year; however, operating income decreased by 32.8% due to restructuring cost that was to be booked in second half of this fiscal year. Income before income taxes increased by 21.5% year on year and net income attributable to owners of the parent increased by 13.3%, since financial expenses such as exchange loss were lower than expected.

The HCM Group makes no change in its consolidated earnings forecast for the full year ending March 31, 2017 (from April 1, 2016 to March 31, 2017) announced on July 27<sup>th</sup> because the decline in revenue from mining machinery is expected to be compensated by the increase from China and Asia.

The assumed foreign exchange rate applied from the third quarter onward remains ¥100 for one US dollar, ¥110 for one euro, and ¥15.0 for one Chinese yuan.