

June 25, 2024

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

Name of representative Masafumi Senzaki
Executive Officer, President & COO

Notice Concerning Controlling Shareholders, etc. (other associated company)

Hitachi Construction Machinery Co., Ltd. (hereinafter referred to as “the Company”) hereby announces the following matters concerning the controlling shareholders, etc. (other associated company) (hereinafter referred to as “the Associated Companies”).

1. Trade names, etc. of the parent company, controlling shareholders (excluding parent company), other affiliates, or parent companies of other affiliates

(As of March 31, 2024)

Name	Attribute	Voting right percentage (%)			Financial instruments exchange, etc. where issued share certificates are listed
		Direct ownership	Combined relevant shares	Total	
HCJI Holdings	other associated company	26.0	—	26.0	
Citrus Investment LLC	other associated company	—	26.0	26.0	
ITOCHU Corporation	other associated company	—	26.0	26.0	Prime Section of the Tokyo Stock Exchange
Hitachi, Ltd.	other associated company	25.4	—	25.4	Prime Section of the Tokyo Stock Exchange Premier Section of the Nagoya Stock Exchange

2. Names of the Associated Companies that are considered to have the most influence over the Company and the underlying reasons for that influence.

Name: Hitachi, Ltd.

Reasons: Hitachi, Ltd. have the biggest impact on our business activities since the Company is licensed to use the brand of Hitachi, Ltd. and collaborates with Hitachi, Ltd. in areas such as research and development.

3. Positioning of the Company within the corporate group of the Associated Companies, and other relationships between the Company and the Associated Companies.

(1) Positioning of the Company within the corporate group of the Associated Companies, and business, personnel, and/or capital relationships between the parent company and the Associated Companies or their group companies.

① HCJI Holdings and Hitachi, Ltd. are major shareholders of the Company, and the Company is the equity method affiliate of the corporate group controlled by the two companies. Moreover, Citrus Investment LLC and ITOCHU Corporation, the parent company of Citrus Investment LLC, invest in HCJI Holdings.

② The Company is licensed to use the Hitachi brand and collaborates with Hitachi, Ltd. in areas such as research and development.

The Company has business relationships, such as product sales, with other Hitachi group companies.

③ The Company and HCJI Holdings have entered into a capital alliance agreement.

④ The Company collaborates effectively with ITOCHU Corporation group in areas such as sales of the Company’s products and logistics network.

⑤ Status of concurrently serving directors are as follows:

(Concurrent directorships)

(As of June 25, 2024)

Title	Name	Title at parent company or its group company	Reason of appointment
Outside Director	Hidemi Moue	Representative Director and President, HCJI Holdings.	The Company has determined that he will be able to further strengthen the Company's management structures by providing advice on the Company's overall management by utilizing his extensive experience as a top executive of fund management firms, knowledge on finance and M&A fields, and deep insight.
Outside Director	Ken Fujisawa	Senior Officer and COO, Social Infrastructure Systems Business Unit, Hitachi, Ltd.	The Company has determined that he will be able to further strengthen the Company's management structures by providing advice on the Company's overall management by utilizing his experience in the field of information and communications systems in the Hitachi Group and his extensive experience and deep insight as a top executive.

(2) Business restraints, risks, and advantages from belonging to the corporate group of the Associated Companies, and the impact of the business, personnel, and/or capital relationships with the Associated Companies and their group companies on management and business activities

Through the Company collaborates with ITOCHU Corporation in distribution network and others, the Company will further solidify its business development in North America.

The Company can effectively use the research and development capacities, branding power, and other management resources of Hitachi, Ltd. and the Hitachi group companies, as well as further contribute to improving the Company's and the Hitachi Construction Machinery group's corporate values.

(3) Concept and measures for ensuring a certain level of independence from the Associated Companies.

One of ten our directors is concurrently taking the post of Representative Director and President at HCJI Holdings and another one is concurrently taking the post of COO of Social Infrastructure Systems Business Unit at Hitachi, Ltd. as of June 25, 2024, which creates a situation where they may have an impact on the Company's management policy decisions through expressing their opinions at board meetings. However, these board members are less than the majority of our board members, and because five of our outside directors are registered with the Tokyo Stock Exchange as independent directors, we believe that it is able to make independent management decisions.

(4) Situation of ensuring a certain level of independence from the Associated Companies

The Company conducts business activities individually on the basis of ensuring independence in terms of business transactions in the relationship with ITOUCHU Corporation and Hitachi, Ltd. Additionally, as the Company's business activities do not significantly rely on business transactions with ITOUCHU Corporation and Hitachi, Ltd. the Company recognizes that its independence from other associated companies is ensured to a certain level.

4. Particulars related to transactions with controlling shareholders, etc.

The state of business transactions with ITOUCHU Corporation and Hitachi, Ltd. during the fiscal year ended in March 2024 (from April 1, 2023 to March 31, 2024) is as follows:

Attribute	Name of entity	Common stock or investments	Business activities	Relationship with related party	Transaction	Transaction amount (Millions of yen)	Account	Balance as of March 31, 2024 (Millions of yen)
Other associates	ITOCHU Corporation	¥253,448 million	General trading company	Sales of the Company's products	Sales, etc. of products	122,316	Accounts receivable - trade	63,185
Other associates	Hitachi, Ltd.	¥463,418 million	Manufacture, sales and service of electric machinery, equipment and various products	Payment of brand value royalty Officers with concurrent positions	Payment of brand value royalty	2,849	Accounts payable - other	9,030

Note: Transaction conditions or policy for determining transaction conditions

When the Company transacts with other associated companies, the condition of the transaction, such as price, is rationally determined based on generally accepted fair market price.