

/// **The** Brand-new Deal

Timely Disclosure Briefing

# Hitachi Construction Machinery

ITOCHU Corporation (8001)

Assistant COO, Automobile, Construction  
Machinery & Industrial Machinery Division

Masahiko Yoshikawa



Today, I will explain the progress of our collaboration with Hitachi Construction Machinery and our future growth strategy.

## About Hitachi Construction Machinery

### Business Portfolio

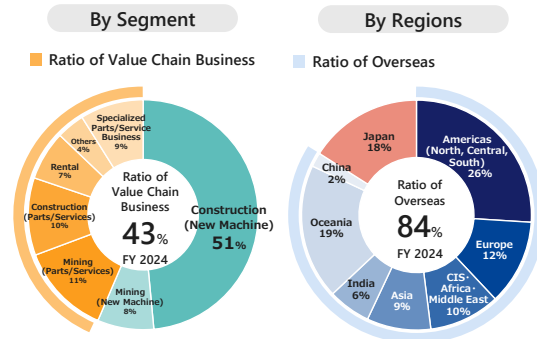
#### New Machinery Sales



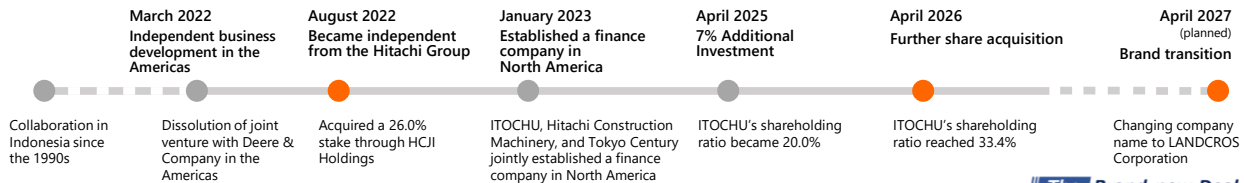
#### Value Chain Business



### Sales Portfolio



### Background of Investment



Copyright © ITOCHU Corporation. All Rights Reserved.

**The Brand-new Deal**

2

First, as shown in the business portfolio on the left, Hitachi Construction Machinery is a global player centered on hydraulic excavators. By expanding its value chain—including sales, services, and parts—it has established a stable earnings base. Overseas sales account for more than 80%, and in mining excavators in particular, the company holds world-class competitiveness.

Next, let me explain the background of our investment and the progress of our collaboration. Our relationship with Hitachi Construction Machinery did not begin with this recent investment. In Indonesia, we have jointly operated a business as a joint venture for over 30 years. This long-standing partnership enabled us to quickly establish strong collaboration after our equity investment in August 2022, resulting in an effective partnership that goes beyond a capital relationship.

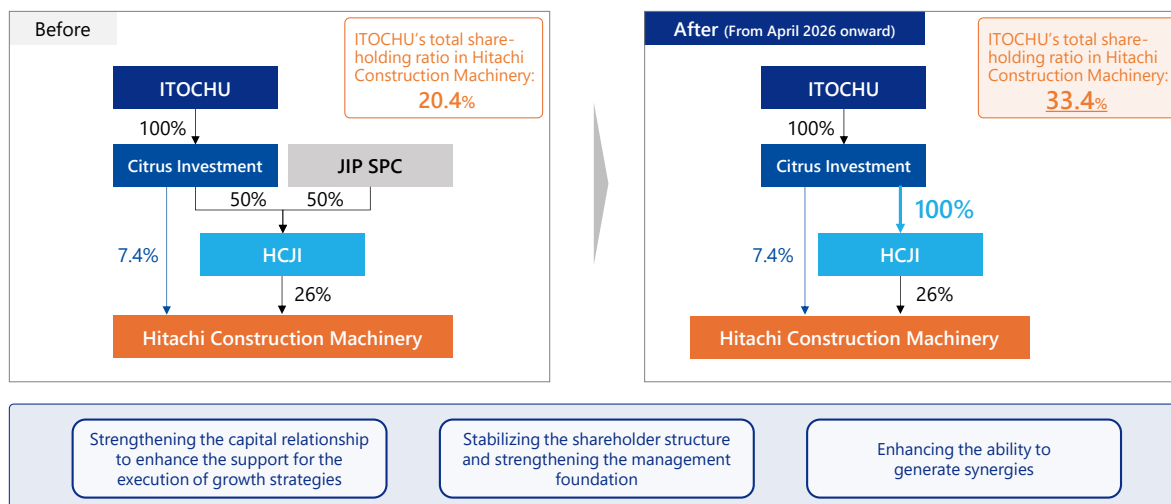
In its previous mid-term management plan, Hitachi Construction Machinery successfully reduced its dependence on John Deere in the U.S. and established an independent business in the Americas, achieving sales growth of over ¥90.0 billion compared to FY2022. In addition, recurring businesses such as parts and services have expanded, steadily improving the quality of earnings.

Furthermore, in collaboration with us, particularly in the finance business, solid results have already begun to emerge. Based on this progress and strong momentum, we have proceeded with the additional acquisition.

Going forward, we aim to act not merely as a shareholder, but as a true business partner, continuing to deliver concrete results.

## Overview of Additional Stake Acquisition

- ▶ In April 2026, HCJI Holdings (HCJI) repurchased their shares held by the SPC of Japan Industrial Partners (JIP) for ¥134.1 billion. Through this transaction, ITOCHU's voting rights in Hitachi Construction Machinery increased from 20.4% to 33.4%.



Next, I will explain the transaction we have just announced.

Through this transaction, our voting rights increased from approximately 20% to 33.4%. While Hitachi Construction Machinery has already been an equity-method affiliate, we see three key implications of this change.

First, it strengthens the capital relationship to more reliably support the execution of mid- to long-term strategies. This allows us to be involved in important management decisions with greater responsibility, thereby enhancing the execution of growth strategies.

Second, it stabilizes the shareholder structure and strengthens the management foundation. By deepening our involvement as a stable shareholder with a long-term perspective, we believe this will create an environment where both the company and other shareholders can confidently pursue growth investments and strategic initiatives.

Third, it enhances our ability to generate synergies. A deeper capital relationship enables more advanced collaboration, particularly in areas such as finance and M&A.

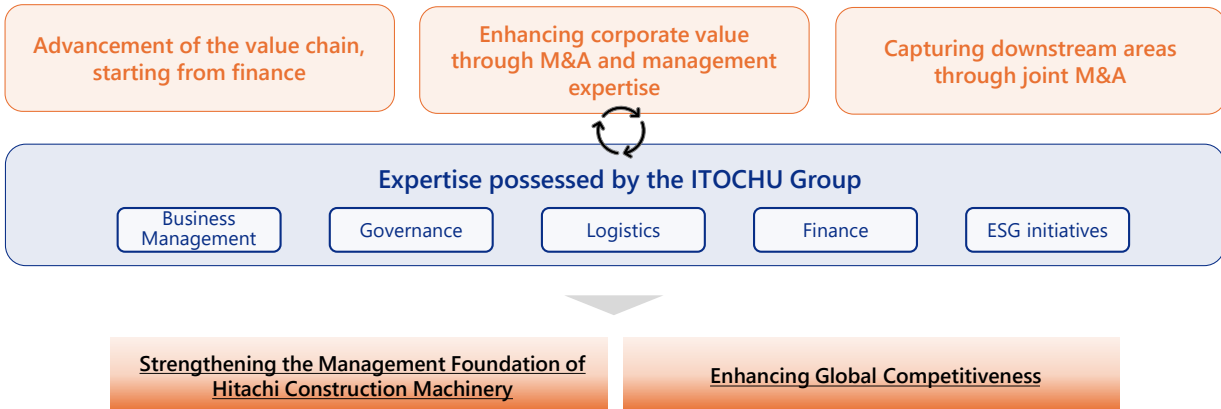
In addition, resolving uncertainties in the shareholder structure is another important aspect. This acquisition is not merely an increase in ownership, but a step toward strengthening the foundation for long-term corporate value enhancement.

## Future Collaboration Plan



- ▶ Since the capital alliance in 2022, ITOCHU has built a close partnership with Hitachi Construction Machinery and provided support from both business and management perspectives.
- ▶ With the additional stake acquisition, ITOCHU will be more proactive in supporting Hitachi Construction Machinery's brand transformation and medium-to-long-term growth strategies and will be even more strongly committed from a capital perspective.

### Direction of collaboration



Copyright © ITOCHU Corporation. All Rights Reserved.

The Brand-new Deal

4

Now, let me explain our collaboration plan based on this strengthened capital relationship.

Hitachi Construction Machinery has been expanding its earnings base beyond product sales by strengthening its value chain and adopting the open innovation and co-creation strategy, including parts, services, and solutions.

Going forward, we will focus on three key areas of collaboration.

First is the advancement of the value chain, starting from finance. By integrating sales, rental, and financing, we will strengthen customer touchpoints and achieve more stable and expanded earnings.

Second is enhancing corporate value through M&A and management expertise. We will leverage our accumulated expertise and management practices, including through the secondment of personnel, to contribute to strengthening the company's management foundation.

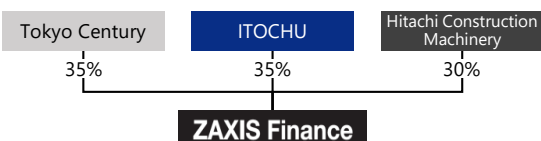
Third is capturing downstream areas through joint M&A. By investing in distributors and rental companies, we will strengthen our presence closer to customers and maximize value across the entire value chain.

These initiatives can be accelerated by combining our capabilities with Hitachi Construction Machinery's business platform. With the increased equity stake, we are establishing a framework to execute these measures with greater speed, entering a new phase of expanding collaboration results.

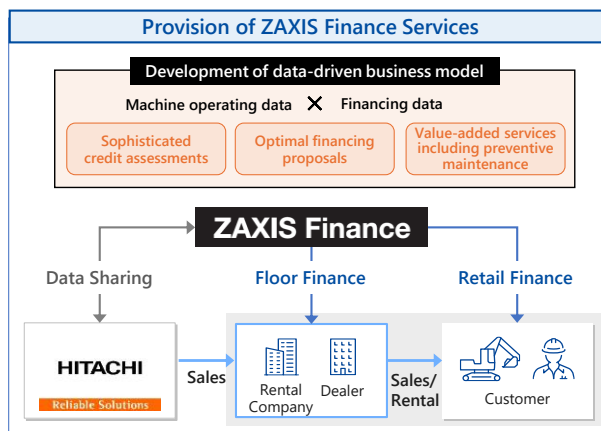
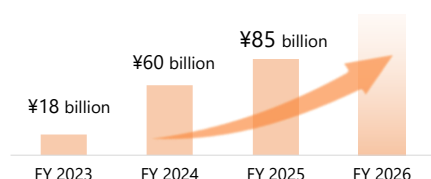
## Finance Business : ZAXIS Finance

- ▶ ZAXIS Finance was established in January 2023 as a North American finance business (ITOCHU 35%, Tokyo Century 35%, Hitachi Construction Machinery 30%). The company provides optimal solutions integrated with sales that address customer needs, such as rapid credit approval and flexible repayment plans.
- ▶ Performance has been steady, with an upward trend in the utilization rate of retail finance. The company achieved profitability in its first fiscal year (FY2023), with profits increasing in FY2024. In 2025, the company achieved further profit growth and contributed to the expansion of Hitachi Construction Machinery's sales in North America.

### Investment Structure



### Retail Finance Balance



Copyright © ITOCHU Corporation. All Rights Reserved.

The Brand-new Deal

As a concrete example of our collaboration, let me introduce the finance business “ZAXIS Finance” in North America.

This business combines financial services with equipment sales to support customers’ capital investment while expanding sales opportunities.

On the ground, Hitachi Construction Machinery Americas and ZAXIS Finance—led by CEO from ITOCHU - work closely together, engaging in daily discussions on customer needs and risk management to deliver better customer service. This close collaboration enables the provision of optimal solutions that integrate financing with sales, rather than simply offering financial products.

At the initial stage, there were challenges such as credit management, funding, and operational setup. However, through continuous improvements, the business achieved profitability earlier than originally planned.

Looking ahead, by combining machine operating data held by Hitachi Construction Machinery with financing data accumulated by ZAXIS Finance, we aim to develop new data-driven business models, including:

- More sophisticated credit assessments
- Optimal financing proposals tailored to each customer
- New value-added services linked to preventive maintenance and service offerings

This model is not limited to North America and can be expanded to other regions globally, further enhancing synergies.

This is a clear example of how combining our capabilities with Hitachi Construction Machinery’s platform is generating tangible results, and we are now entering a phase of further expansion.

## Summary



- ▶ Going forward, we will deepen our partnership with Hitachi Construction Machinery (future LANDCROS) to support the medium-to-long-term growth and enhancement of the corporate value. We will accelerate collaboration in sales, rental, and finance operations in markets such as North America, as well as collaboration in M&A and new business domains. At the same time, we will fully leverage the ITOCHU Group's capability and expertise in business management, governance, logistics, finance, and ESG initiatives to strengthen Hitachi Construction Machinery's management foundation and enhance its global competitiveness.
- ▶ In the construction machinery-related business, we expect to achieve the ¥20 billion target set at [our project briefing](#) in 2023. [↗](#) We will continue to achieve further growth and aim to build a solid earnings base exceeding ¥30 billion.



Copyright © ITOCHU Corporation. All Rights Reserved.

**The Brand-new Deal**

6

Finally, let me summarize my presentation.

As explained, our collaboration with Hitachi Construction Machinery has steadily accumulated results since our capital participation in 2022.

Particularly in the North American finance business, concrete outcomes have already materialized, and we recognize that our collaboration has moved beyond the “consideration phase” into the “execution and value creation phase.”

Based on this progress and confidence, we have increased our stake to 33.4%, establishing a structure to support long-term growth as a stable shareholder.

Going forward, we will deepen our partnership to support medium-to-long-term growth and enhancement of the corporate value of Hitachi Construction Machinery (future LANDCROS) by accelerate collaboration in areas such as North America, M&A, and new business domains, and fully leverage the capabilities and expertise of the ITOCHU Group to strengthen Hitachi Construction Machinery's management foundation and global competitiveness.

In the construction machinery-related business, we expect to achieve the ¥20 billion net profit target of our project briefing held in 2023, and aim to further grow to ¥30 billion and ¥40 billion in the future.

Together with Hitachi Construction Machinery, we will continue to create value across the entire value chain, achieving sustainable growth and enhancing corporate value.