

FOR IMMEDIATE RELEASE

Hitachi Construction Machinery begins parts remanufacturing for construction machinery in the Republic of South Africa
Strengthen parts remanufacturing business to contribute to reduction of environmental impact and realization of circulating society



Remanufacturing the main pump (in training)

Tokyo, February 24, 2023 –Hitachi Construction Machinery Co., Ltd. (TSE: 6305 President and Executive Officer: Kotaro Hirano; “Hitachi Construction Machinery”) embarks on the production of remanufactured parts for construction machinery, such as medium to large sized hydraulic excavators and medium sized wheel loaders, in March 2023 at Hitachi Construction Machinery Southern Africa Co., (Pty) Ltd. (President and Director: Tomoatsu Toki; “Hitachi Construction Machinery Southern Africa”), Hitachi Construction Machinery’s base for sales and services in the Republic of South Africa (“South Africa”).

In addition to parts remanufacturing for mining machinery conducted in Zambia from 2012, the target will be expanded to construction machinery to strengthen our parts remanufacturing business in Southern Africa. We will also contribute to reducing environmental impact and realizing circulating society through further reduction in CO₂ emissions and industrial waste.

Our customers in South Africa can purchase remanufactured parts with warranty and thus reduce component procurement costs. The supply of remanufactured parts within South Africa shortens lead time to delivery and keeps down transportation costs. In the future, the remanufactured parts will be supplied to neighboring countries as well.

Our customers are faced with the issues of improving jobsite safety and productivity and reducing machine lifecycle costs. In addition, changes in the markets are driving up operating costs for customers to keep their machines operating.

As one approach to solving such issues, the Hitachi Construction Machinery Group is developing the parts remanufacturing business. Specifically, we collect genuine components

such as hydraulic cylinders and pumps from machinery in use by customers, disassemble and repairing them at the works, and provides them as remanufactured parts with performance equivalent to new parts.

Currently in Southern Africa, Hitachi Construction Machinery Zambia and H-E Parts are collaborating in Zambia to remanufacture parts for mining machinery such as ultra-large hydraulic excavators and dump trucks.

As the next step, we have completed the development of necessary facilities for remanufacturing parts for construction machinery at Hitachi Construction Machinery Southern Africa's site in South Africa, the largest construction machinery market in the Southern African region. Hitachi Construction Machinery Southern Africa also plans to provide maintenance and servicing of ultra-large hydraulic excavators and dump trucks, as well as repair work for hydraulic equipment and components, using the same facilities.

As supplying remanufactured parts to South Africa from other countries or regions takes extensive lead time and has high transportation costs, we needed to build a framework in South Africa for remanufacturing parts for construction machinery.

Going forward, in addition to strengthening the value chain business, including the parts remanufacturing business, and contributing to the reduction of environmental impact and the realization of circulating society, the Hitachi Construction Machinery Group will continue to work toward resolving customer issues of “improving safety,” “increasing productivity” and “reducing lifecycle costs”.

■Overview of parts remanufacturing area at Hitachi Construction Machinery Southern Africa

Location	Cnr Paul Smit and Solomon Jefferson Mahlangu Road Boksburg North, Johannesburg, Gauteng, South Africa (On Hitachi Construction Machinery Southern Africa premises in Johannesburg, South Africa)
Total floor area	Approx. 1,300 m ²
Target products	20-120 tonne class medium and large hydraulic excavators and wheel loaders
Target components	Hydraulic cylinders, hydraulic pumps, swing devices, travel devices, etc.

■Related Information

- Hitachi Construction Machinery Global Site [Parts Remanufacturing](#)

■About Hitachi Construction Machinery Co., Ltd.

Hitachi Construction Machinery Co., Ltd. (TSE: 6305), headquartered in Tokyo, Japan, is a construction machinery manufacturer. The company engages in the development, manufacturing, sales, and service operations around the world for hydraulic excavators, wheel loaders, road construction machines, and mining machinery. Hitachi Construction Machinery is strengthening its focus on value chain businesses other than new machinery sales, such as parts and services, rentals, used equipment, and parts recycling, and is utilizing digital technologies to provide deeper solutions at all points of contact with customers. Hitachi Construction Machinery employs approximately 25,000 people worldwide. In fiscal year 2021

(ended March 2022), the consolidated sales revenue was ¥1,025.0 billion and the percentage of overseas sales revenue was approximately 79%. For details, visit the company's website.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.