



March 23, 2017

To all parties concerned

Company Name: Hitachi Koki Co., Ltd.  
President & Representative Executive officer: Osami Maehara  
(Securities Code 6581 First Section of the Tokyo Stock Exchange)  
Contact: General Manager, Public Relations Strategy Office Yasunori Miyane  
(TEL: 03-5783-0601)

**Announcement Concerning Results of the Tender Offer for the Shares of Hitachi Koki Co., Ltd.  
by HK Holdings Co., Ltd., and Changes in the Parent Company,  
the Largest Shareholder among the Major Shareholders, and a Major Shareholder**

Hitachi Koki Co., Ltd. (the “Company”) hereby announces that the tender offer (the “Tender Offer”) by HK Holdings Co., Ltd. (the “Offeror”) for the common shares of the Company (the “Company Shares”) and the share options issued based on the resolutions passed at the Board of Directors meeting on July 28, 2015 (the “Share Options”) that commenced on January 30, 2017 was completed on March 22, 2017.

The Company also hereby announces that on March 29, 2017 (the commencement date of settlement for the Tender Offer), the parent company, the largest shareholder among the major shareholders and a major shareholder of the Company will change as a result of the Tender Offer as set out below.

Details

I. Results of the Tender Offer

The Company received a report from the Offeror today on the results of the Tender Offer set out in the attached “Announcement Regarding the Tender Offer for the Shares of Hitachi Koki Co., Ltd. (Securities Code 6581).”

II. Change to the Parent Company, the Largest and Major Shareholder and the Major Shareholder

1. Scheduled change date

March 29, 2017 (the commencement date of the settlement for the Tender Offer)

2. Background to the change

The Company received a report from the Offeror today that because 91,039,406 Company Shares and 388 Share Options were tendered in the Tender Offer, which was not less than the minimum number of shares to be purchased (67,632,900 shares), and the Tender Offer was completed, the Offeror will purchase all of the tendered shares and options. As a result, because the percentage of the number of voting rights to be held by the Offeror to the number of voting rights of all shareholders of the Company will become more than 50% on March 29, 2017 (the commencement date of settlement for the Tender Offer) upon the settlement of the Tender Offer on the same date, the Offeror will newly become the parent company and the largest shareholder among the major shareholders of the Company.

Because Hitachi, Ltd., the parent company and the largest shareholder among the major shareholders of the Company, tendered all of its Company Shares in the Tender Offer, and the Offeror will acquire all of such Company Shares, Hitachi, Ltd. will cease to be the parent company and the largest shareholder among the major shareholders of the Company. Similarly, because Hitachi Urban Investment, Ltd., a major shareholder of the Company, tendered all of its Company Shares in the Tender Offer, and the Offeror will acquire all of such Company Shares, Hitachi Urban Investment, Ltd. will cease to be a major shareholder of the Company.

3. Summary of the shareholders that will change

- (1) Summary of the shareholder which will newly become the parent company and the largest shareholder among the major shareholders

(1)	Name	HK Holdings Co., Ltd.
(2)	Address	11th Floor, Meiji Yasuda Seimei Building, 2-1-1, Marunouchi, Chiyoda-ku, Tokyo
(3)	Name and Title of Representative	William Janetschek, Representative Director
(4)	Businesses	Commerce, all business related to commerce
(5)	Capital	300,025,000 yen (Note)
(6)	Date of Foundation	November 10, 2016
(7)	Major Shareholders and Ownership Percentage	KKR HK Investment L.P. (100.00%) (as of March 23, 2017)
(8)	Relationship Between the Company and the Shareholder	
	Capital Relationship	None applicable.
	Personal Relationship	None applicable.
	Business Relationship	None applicable.
	Related Party Relationships	None applicable.

Note: Because the Offeror executed a capital increase by way of third-party allotment to KKR HK Investment L.P. in the amount of 600 million yen today, the amount of the capital of the Offeror was increased from 25,000 yen to 325 million yen. The Offeror will execute a capital increase by way of third-party allotment to KKR HK Investment L.P. in the amount of 64,399,950,000 yen for the period from March 23, 2017 to March 28, 2017 as the payment period, and as a result, the amount of the capital of the Offeror will be increased from 300,025,000 yen to 32,500,000,000 yen.

- (2) Summary of the shareholder which will cease to be the parent company and the largest shareholder among the major shareholders

(1)	Name	Hitachi, Ltd.										
(2)	Address	1-6-6, Marunouchi, Chiyoda-ku, Tokyo										
(3)	Name and Title of Representative	Toshiaki Higashihara, Representative Executive Officer, President & CEO										
(4)	Businesses	Development, production, sales and services of products in information & telecommunication systems, social infrastructure & industrial systems, electronic systems & equipment, construction machinery, high functional materials & components, automotive systems, smart life & ecofriendly systems, and other eight segments (consolidated)										
(5)	Capital	458,790 million yen (as of December 31, 2016)										
(6)	Date of Foundation	February 1, 1920										
(7)	Parent Shareholders' Equity	2,942,281 million yen (as of December 31, 2016)										
(8)	Total Assets (Consolidated)	12,433,727 million yen (as of December 31, 2016)										
(9)	Major Shareholders and Ownership Percentage (as of September 30, 2016)	<table> <tr> <td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td> <td>5.90%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (Trust Account)</td> <td>5.30%</td> </tr> <tr> <td>Hitachi Employees' Shareholding Association</td> <td>2.18%</td> </tr> <tr> <td>Nippon Life Insurance Company</td> <td>1.93%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (Trust Account 9)</td> <td>1.64%</td> </tr> </table>	The Master Trust Bank of Japan, Ltd. (Trust Account)	5.90%	Japan Trustee Services Bank, Ltd. (Trust Account)	5.30%	Hitachi Employees' Shareholding Association	2.18%	Nippon Life Insurance Company	1.93%	Japan Trustee Services Bank, Ltd. (Trust Account 9)	1.64%
The Master Trust Bank of Japan, Ltd. (Trust Account)	5.90%											
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Nippon Life Insurance Company	1.93%											
Japan Trustee Services Bank, Ltd. (Trust Account 9)	1.64%											
(10)	Relationship Between the Company and the Shareholder											
	Capital Relationship	The shareholder owns 42.16% (out of which, indirectly owning 8.99%) of the total number of issued shares of the Company as of today. However, the shareholder tendered all of its Company Shares in the Tender Offer.										
	Personal Relationship	Shinjiro Iwata, Chairman of the Board of Directors of the Company is also an associate of the shareholder.										
	Business Relationship	Licenses, etc. to use Hitachi brand are granted.										
	Related Party Relationships	The shareholder is the parent company of the Company, so it is a related party of the Company.										

(3) Summary of the shareholder which will cease to be a major shareholder

(1)	Name	Hitachi Urban Investment, Ltd.
(2)	Address	1-1-14, Uchikanda, Chiyoda-ku, Tokyo
(3)	Name and Title of Representative	Tsukasa Hashiguchi, President and Chief Executive Officer
(4)	Businesses	Management, sales and lease of lands and buildings, and agency services thereof
(5)	Capital	2 billion yen (as of December 31, 2016)

4. Number and holding ratio of voting rights held by the shareholders before and after change

(1) Offeror

	Status	Number of voting rights (holding ratio of voting rights, number of shares held)			Rank among large shareholders
		Voting rights directly held	Voting rights subject to aggregation	Total	
Before change	—	—	—	—	—
After change	The parent company and the largest and major shareholder	910,394 (89.90%, 91,039,406 shares)	—	910,394 (89.90%, 91,039,406 shares)	1st

Note1: For the purpose of calculating the “Holding ratio of voting rights” before and after change, 1,012,711 rights, which is the number of voting rights of all shareholders as of December 31, 2016 (as stated in the 95th Fiscal Period Third Quarter Securities Report of the Company filed on February 10, 2017 (the “Company’s 95th Fiscal Period Third Quarter Securities Report”) (described on the assumption that 1 unit is 100 shares), have been used as the denominator. The same applies hereinafter.

Note 2: The “holding ratio of voting rights” is rounded to the second decimal place. The same applies hereinafter.

(2) Hitachi, Ltd.

	Status	Number of voting rights (holding ratio of voting rights, number of shares held)			Rank among large shareholders
		Voting rights directly held	Voting rights subject to aggregation	Total	
Before change	The parent company and the largest and major shareholder	408,271 (40.31%, 40,827,162 shares)	110,581 (10.92%, 11,058,191 shares)	518,852 (51.23%, 51,885,353 shares)	1st
After change	—	—	—	—	—

(3) Hitachi Urban Investment, Ltd.

	Status	Number of voting rights (holding ratio of voting rights, number of shares held)			Rank among large shareholders
		Voting rights directly held	Voting rights subject to aggregation	Total	
Before change	The major shareholder	110,581 (10.92%,	—	110,581 (10.92%,	2nd

	Status	Number of voting rights (holding ratio of voting rights, number of shares held)			Rank among large
		11,058,191 shares)		11,058,191 shares)	
After change	—	—	—	—	—

5. Change in unlisted parent company, etc. that is subject to disclosure

Because the Offeror will become an unlisted parent company of the Company as a result of the Tender Offer, the Offeror will be subject to disclosure as an unlisted parent company of the Company.

6. Future outlook

As announced in the press release titled “Announcement Concerning Opinion Regarding the Tender Offer for the Shares of Hitachi Koki Co., Ltd. by HK Holdings Co., Ltd.” released by the Company on January 13, 2017 (the “January 13, 2017 Press Release”), because the Offeror was unable to acquire all of the Company Shares other than the treasury shares held by the Company in the Tender Offer, the Offeror intends to undertake a series of procedures to acquire all of the Company Shares (other than the treasury shares held by the Company) as stated in the section titled “(5) Policy for organizational restructuring after the Tender Offer (matters relating to the ‘Two-Step Acquisition’)” under “3. Details on the Content, Grounds and Reasons for the Company’s opinion on the Tender Offer” in the January 13, 2017 Press Release. When the procedures are implemented, the Company Shares will be delisted after taking the prescribed procedures pursuant to the Tokyo Stock Exchange’s delisting standards. After the delisting, the Company Shares will be unable to be traded on the Tokyo Stock Exchange.

Details regarding specific procedures and the schedule of implementation will be announced promptly by the Company once such details have been decided after consultation with the Offeror.

End

(Attachment)

“Announcement Regarding Results of the Tender Offer for the Shares of Hitachi Koki Co., Ltd. (Securities Code 6581)” released by the Offeror today

March 23, 2017

Company Name: HK Holdings Co., Ltd.  
Representative: William Janetschek, Representative  
Director  
Contact: 03-6268-6000

**Announcement Regarding Results of the Tender Offer for the Shares of Hitachi Koki Co., Ltd.  
(Securities Code 6581)**

As of January 27, 2017, HK Holdings Co., Ltd. (“we,” or the “Offeror”) resolved to acquire the common shares (the “Target Company Shares”) and the share options issued based on the resolutions passed at the Board of Directors meeting on July 28, 2015 (the “Share Options”) (together with the Target Company Shares, the “Target Company Shares and Options”) of Hitachi Koki Co., Ltd. (Securities Code: 6581, First Section of the Tokyo Stock Exchange) (the “Target Company”) through a tender offer (the “Tender Offer”) in accordance with the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended) (the “Act”), and commenced the Tender Offer on January 30, 2017. We hereby announce that the Tender Offer was completed on March 22, 2017, as described below.

1. Outline of the Tender Offer

(1) Name and address of the Offeror

HK Holdings Co., Ltd.  
Meiji Yasuda Life Insurance Bldg. 11F, 2-1-1 Marunouchi, Chiyoda-ku, Tokyo

(2) Name of the Target Company

Hitachi Koki Co., Ltd.

(3) Type of shares, etc. to be purchased

- (i) Common shares
- (ii) Share options

The share options issued based on the resolutions passed at the Target Company’s Board of Directors meeting on July 28, 2015

(4) Number of shares, etc. to be purchased

Number of Shares to be Purchased	Minimum Number of Shares to be Purchased	Maximum Number of Shares to be Purchased
101,429,921 shares	67,632,900 shares	- shares

(Note 1) If the total number of Target Company Shares and Options tendered in the Tender Offer (the “Tendered

Shares and Options”) is less than the minimum number of shares to be purchased (67,632,900 shares), then the Offeror will not purchase any of the Tendered Shares and Options. If the total number of Tendered Shares and Options is equal to or exceeds the minimum number of shares to be purchased (67,632,900 shares), the Offeror will purchase all of the Tendered Shares and Options.

(Note 2) The Tender Offer also applies to fractional units of shares. If the right to request a sale of fractional shares is utilized pursuant to the Companies Act (Act No. 86 of 2005, as amended), the Target Company may purchase such fractional shares during the period of the Tender Offer (the “Tender Offer Period”) in accordance with applicable legal procedures.

(Note 3) There is no plan to acquire the treasury shares of the Target Company through the Tender Offer.

(Note 4) Since there is no maximum number of shares to be purchased in the Tender Offer, the number of Target Company Shares (101,429,921 shares) that is calculated as follows is stated as the number of shares to be purchased: (i) the 123,072,776 Target Company Shares issued as of September 30, 2016 (as stated in the 95th Fiscal Period Second Quarter Securities Report of the Target Company filed on November 11, 2016), minus (ii) the 21,681,655 treasury shares held by the Target Company as of September 30, 2016, plus (iii) the 38,800 Target Company Shares which are subject to the 388 Share Options issued as of May 31, 2016 (as stated in the 94th Fiscal Period Securities Report of the Target Company filed on June 24, 2016 (the “Target Company’s Securities Report”). As of January 30, 2017, there has been no change in the number of the Share Options and the number of the Target Company Shares subject to the Share Options since May 31, 2016.

(Note 5) It is possible that the Share Options may be exercised by the end of the Tender Offer Period; accordingly, the Tender Offer also applies to Target Company Shares to be issued or transferred as a result of the exercise.

(5) Tender Offer period

(i) Anticipated period of the Tender Offer upon the filing of the notification

From Monday, January 30, 2017, to Wednesday, March 22, 2017 (37 business days)

(ii) Possibility of extending the period based on the Target Company’s request

Not applicable

(6) Tender Offer prices

(i) Common shares: ¥870 per share

(ii) Share Options: ¥144,900 per Share Option

## 2. Result of the Tender Offer

### (1) Completion of the Tender Offer

The Tender Offer was subject to the condition that if the total number of Tendered Shares and Options was less than the minimum number of shares to be purchased (67,632,900 shares), then none of the Tendered Shares and Options would be purchased. However, since the total number of Tendered Shares and Options (91,078,206 shares) is equal to or more than the minimum number of shares to be purchased (67,632,900 shares), all of the Tendered Shares and Options will be purchased as set forth in the public notice for commencing the Tender Offer (as amended by the announcement regarding amendment of the public notice for commencing the Tender Offer due to submission of the subsequently submitted amended statement) and the Tender Offer Registration Statement (as amended by the subsequently submitted amended statement).

### (2) Date of the public notice of the results of the Tender Offer and the name of the newspaper for the public notice

The Offeror made a public announcement of the results of the Tender Offer to the media at the Tokyo Stock Exchange, Inc. on March 23, 2017, in the manner set forth in Article 9-4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended) and Article 30-2 of the Cabinet Office Ordinance on the Disclosure Required for Tender Offer for Share Certificates, etc., by a Person Other than the Issuer (Ordinance of the Ministry of Finance No. 38 of 1990, as amended), pursuant to Article 27-13, Paragraph 1 of the Act.

### (3) Type of shares, etc. purchased

Types of Shares, etc.	(i) Number of Tendered Shares Calculated by Converting Securities other than Shares into Shares	(ii) Number of Shares Purchased Calculated by Converting Securities other than Shares into Shares
Shares	91,039,406 shares	91,039,406 shares
Certificates for Share Options	38,800 shares	38,800 shares
Certificates for Bonds with Share Options	- shares	- shares
Beneficiary Certificates for Shares, etc. in Trust ( )	- shares	- shares
Depository Receipts for Shares, etc. ( )	- shares	- shares
Total	91,078,206 shares	91,078,206 shares
(Total Number of Residual	(38,800 shares)	(38,800 shares)

Shares, etc.)		
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(4) Changes to share ownership ratios due to the Tender Offer

Number of voting rights represented by shares held by the Offeror prior to the Tender Offer	-	(Ownership ratio prior to the Tender Offer: -%)
Number of voting rights represented by shares held by special related parties prior to the Tender Offer	-	(Ownership ratio prior to the Tender Offer: -%)
Number of voting rights represented by shares held by the Offeror after the Tender Offer	910,782	(Ownership ratio after the Tender Offer: 89.79%)
Number of voting rights represented by shares held by special related parties after the Tender Offer	-	(Ownership ratio after the Tender Offer: -%)
Total number of Target Company voting rights	1,012,711	

(Note 1) The “Total number of Target Company voting rights” is the total number of voting rights as of December 31, 2016, the immediately preceding record date, as stated in the 95th Fiscal Period Third Quarter Securities Report of the Target Company filed on February 10, 2017 (the “Target Company’s Third Quarter Securities Report”). However, because all Target Company Shares, including fractional units of shares (but excluding treasury shares held by the Target Company), and all the Share Options were subject to the Tender Offer, for the purpose of calculating the “Ownership ratios after the Tender Offer,” the number of voting rights (1,014,293) associated with the Target Shares (101,429,385), which was calculated as follows, has been used as the denominator: (i) the 123,072,776 Target Company Shares issued as of December 31, 2016 (as stated in the Target Company’s Third Quarter Securities Report), minus (ii) the 21,682,191 treasury shares held by the Target Company as of December 31, 2016 (as stated in the Target Company’s Third Quarter Securities Report), plus (iii) the 38,800 Target Company Shares which are subject to the 388 Share Options issued as of May 31, 2016 (as stated in the Target Company’s Securities Report). As of March 23, 2017, there has been no change in the number of the Share Options and the number of the Target Company Shares subject to the Share Options since May 31, 2016.

(Note 2) The “Ownership ratios after the Tender Offer” are calculated by rounding to the second decimal place.

(5) Calculation if the purchase through the Tender Offer is conducted by the pro rata method

Not applicable

(6) Settlement method

- (i) Name and head office location of the financial instruments business operator, bank, or other entity handling the settlement of the purchase:



Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.  
kabu.com Securities Co., Ltd. (subagent)

2-5-2 Marunouchi, Chiyoda-ku, Tokyo  
1-3-2 Otemachi, Chiyoda-ku, Tokyo

(ii) Commencement date of settlement

March 29, 2017 (Wednesday)

(iii) Settlement method

A notice of purchase through the Tender Offer will be sent to the address or location of tendering shareholders (or, in the case of a non-Japanese shareholder, its standing proxy) by postal mail promptly after the Tender Offer Period. Delivery by the subagent will be made online by electronic means after logging in.

The purchase will be settled in cash. The purchase price for the shares, etc. purchased will be remitted by the tender offer agent or the subagent to the place designated by the tendering shareholders (or, in the case of a non-Japanese shareholder, its standing proxy) in accordance with their instructions promptly following the commencement date of settlement.

3. Post-tender offer policy and future outlook

There has been no change in the policy for after the Tender Offer described in the “Announcement Regarding the Tender Offer for the Shares of Hitachi Koki Co., Ltd. (Securities Code 6581)” issued by the Offeror as of January 13, 2017 (as amended).

4. Place where copies of the tender offer report are made available for public inspection

HK Holdings Co., Ltd. (Meiji Yasuda Life Insurance Bldg. 11F, 2-1-1 Marunouchi, Chiyoda-ku, Tokyo)  
Tokyo Stock Exchange, Inc. (2-1, Nihonbashi Kabuto-cho, Chuo-ku, Tokyo)

End.