

MIDDLE EAST Earthmoving NORTH EAST AFRICA

Issue 2 | July 2016

The Hitachi Construction Machinery Middle East Corporation FZE magazine



JOB REPORT: TURKEY

FEATURED DEALER: AL FAIRUZ

WORLD NEWS: TSUKUBA CENTRAL PARTS DEPOT (CPD)

BAUMA 2016

HITACHI

Reliable solutions



HITACHI

Reliable solutions



The Support Chain after-sales program has been developed to protect the investment you make in Hitachi Construction Machinery. The links in the chain from Global e-Service and technical support, to Hitachi Extended Life Program (HELP) and Hitachi Parts, enable you to manage your fleet efficiently, help to minimize downtime and reduce running costs.

Hitachi Support Chain



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HIDEFUMI SAMESHIMA

President's Message

EID Mubarak

I hope everyone in the region is enjoying this summer.

Hereby, I am glad to announce the second issue of Hitachi Construction Machinery Middle East Corporation FZE publication *Earthmoving Middle East North East Africa*.

Our regional outlook in 2016 seems to be tough for construction business due to low oil price and geopolitical reasons. However, we are positive that Hitachi Construction Machinery (HCM) proceeds with steady growth in the Middle East and Africa.

In the last couple of years, we have been able to cover countries such as Jordan, Tanzania and Libya with orange color equipment; we will continue to expand our business into new territories.

Introducing our new products such as mini excavator and new loader was successfully done and we will continue supplying machinery with new technologies this year as well. We are also proud to announce the introduction of genuine oil last year. Genuine parts are also available in Jebel Ali Free Zone which is supported by Central Parts Depot in Japan.

I hope you will enjoy reading this publication, and it will give you a greater understanding of Hitachi Construction Machinery in the world, including state-of-the-art Bauma exhibition show which we participated in last April.

Mr. Hidefumi Sameshima
President
Hitachi Construction Machinery Middle East FZE.



Job Report: Turkey

Delivering reliability and quality

“At the Orhaneli Coal Mine and Power Plant in Turkey, Hitachi’s mining products are in great demand for their capacity, quality, power and reliable performance.”

Established in 1958, Celikler Holding is one of the biggest energy providers of Turkey and has been operating in construction and contracting, energy, mining, tourism and ready-mixed concrete sectors through its subsidiaries and affiliates with the major sub-segments including the construction of highways, bridges, railways, buildings, residential complexes, sewage systems, refining of rain, drinking and waste

water, stream improvement, stripping, production of ready-mixed concrete, coal and marble, hotel management along with the generation of electricity from thermal, geothermal and hydroelectric power plants.

Celikler Holding is one of the significant players in the energy sector in Turkey with ownership of Seyitomer, Tuncbilek and Orhaneli coal fired power plants and

is now expanding its investments in the sector. According to Ahmet Celik, Director of Financial and Administrative Services, “The Orhaneli Coal Mine and Power Plant needs approximately 1 million 800 tons of coal every year. The plant has 210 MW capacity. We are producing energy here and selling to the government or energy distributing firms. In the near future, we

are planning to increase the capacity by adding a new plant.”

Currently there are 200 units of construction machines at the project site in Orhaneli Fuel Plant. “We started excavation in June 2015 and as of January 2016; five million bank cubic meter (bcm) of overburden has been attained.



Our target is to achieve 20 million bcm overburden in the next year,” says Ahmet Celik. “We expect this project to last for 25 years. We are continuing our research and if we can find more coal reserves, we are planning to establish one more plant in Orhaneli.”

Celikler Holding uses a wide variety of construction machines in their projects. In order to reach their planned capacity, the firm is working with Hitachi EX5600E-6LD electric shovel excavator and 10 units of EH3500AC-3 each of which has 180 ton capacity. In order to achieve its ambitious target of excavating 20 million bank cubic meter and obtaining two million ton coal yearly, Celikler Holding prefers to use Hitachi construction machinery thanks to its high capacity and quality.

According to Ahmet Celik, “The reason we prefer to work with Hitachi machines is the capacity, quality, power and reliable

- 1 Name of project:**
Orhaneli Coal Mine and Orhaneli Coal Fired Power Plant
- 2 Company(s) involved:**
Celikler Holding (Customer) / ENKA (Dealer)
- 3 Machines involved, model:**
Hitachi (one unit) EX5600E-6LD and (10 units) EH3500AC-3
- 4 Quantity of machines:**
11 Units
- 5 Location of jobsite:**
Orhaneli, Bursa, Turkey
- 6 Description and goal of jobsite:**
The jobsite is an open pit coal mine located just next to the coal fired power plant. The main goal is to excavate and carry the overburden to waste area and coal to the power plant.
- 7 Type of material being handled:**
The overburden is soil/clay and the main material is coal.
- 8 Quantity of material:**
Around 1.8 to 2 million ton of coal is handled per year
- 9 Impact of the project on the community:**
Celikler Holding provides employment to around 700 people and also undertakes some environmental projects. A gas cleaning plant is filtering the harmful gas the plant produces; 10,000 trees are being planted annually in Orhaneli; there are plans to open a calf breeding farm and solar panels will also be set up for generation of energy.



“In order to achieve its ambitious target of excavating 20 million bank cubic meter and obtaining two million ton coal yearly, Celikler Holding prefers to use Hitachi construction machinery thanks to its high capacity and quality.”

performance of the machines. The new HITACHI EH3500AC-3 Dump Trucks, for instance, carries more material and consumes less fuel when compared to the existing fleet. We are also very happy with the performance of EX5600E-6LD. The hydraulic shovel is electric driven, hence no fuel consumption is required and it is cost effective.”

Ahmet Celik further added: “I would also like to point out that Enka's quick response for service and spare parts have

further heightened our overall satisfaction with these new machines.”

As the distributor of Hitachi Construction Machinery products in Turkey since 1982, Enka Pazarlama AS has been providing timely and efficient after sales service and spare parts to its Celikler Holding since many years.

“We have been working with Enka for a long time and one of the chief advantages of this association is that Hitachi and

Enka support us with their engineers on our projects. Both these firms have offices in our coal mine which ensures that the instant any problem arises with the machines, they are on hand to help us immediately. In addition, they also often provide training to our staff to ensure they are up to date with knowledge about the machines they operate.”

Currently, because of the weather conditions, it is not possible to work on the job site during the period from January to April. “So, we are taking advantage of this period by doing maintenance for our machines,” he explains.

“We are very pleased to work with Hitachi and Enka and we are grateful for their supportive policy as well as the exemplary performance of the Hitachi machines.”

Al Fairuz - The bright spot in Oman's construction industry

Ongoing investments in infrastructure, hotels and resorts, retail and commercial developments, and residential projects have seen the construction industry in the Sultanate of Oman offer promise of immense growth in the foreseeable future.

This healthy growth is driven mainly by the surge of government investments in large scale construction projects for infrastructure development as the Sultanate takes concrete measures to diversify its economy.

Taking advantage of the multi-billion market opportunity in the region is Al Fairuz Trading & Contracting, a 50-year-old respected Omani company with interests in the heavy equipment industry that has been steadily playing a pioneering role in the Sultanate's socio-economic development.

Al Fairuz markets Hitachi Construction equipment in Oman and together with its portfolio of several other brands, it has helped increase the productivity of the construction sector through its holistic construction and industry offering and by catering to a plethora of end user applications for clients in the region.

Starting off its trading business activities as a major wood exporter to countries in the Gulf region in early 1960s, the company began to import and distribute water pumps, diesel engines, spare parts and other equipment for farmers in the 70s. Soon it expanded its operations to automobiles by starting the distribution of various Japanese and European cars, trucks and heavy machinery. It was the early 1980s that saw the emergence of Al Fairuz as one of the leading construction companies in Oman, engaged in infrastructure building projects, as well as the largest banana plantation in the Middle East.

Al Fairuz has since diversified into other activities such as boat manufacturing, fish processing, fertilizer industry, iron ore and copper mining. At the same time, the company has reinforced its business activities by entering into distributor agreements with major international

manufacturers of construction equipment, heavy duty trucks and military vehicles.

Under the dynamic leadership of Sheikh Salim Suleiman Al Fairuz, the founder chairman, this group has grown from one entity to multiple diversified business units. Today, the company has grown into a strong well known entity in the Sultanate's business environment, providing high quality products, supported by a strong after sales service and spare parts network.

Amongst the leading-edge Hitachi construction machinery it markets in the region include Hitachi Excavators that are built tough to deal with the most severe working conditions and to give optimum productivity; and a range of Hitachi wheel loaders produced with innovative technology and mechanisms that guarantee safe, easy operation and high productivity.





Hitachi's enviable life cycle support

Convenience and ease of use are the hallmark of the Hitachi Filter Service Kits that have been designed by Hitachi Construction Machinery's technical team with the consumer in mind to create a quick and simplified service intervals job.

These service kits contain all the parts required to comply with the manufacturer's technical recommendations. Packaged in a single compact box that provides the right part in the right kit, the Hitachi Construction Machinery approved service kits guarantee machine model and parts compatibility assurance.

For the consumer, this comes with a great price advantage as the Service Kit is cheaper when compared to ordering individual parts.

In addition, as the individual parts are packaged into one convenient box for each maintenance intervals hours, it offers hassle free routine maintenance.

The customer can also order one part instead of many thereby making the Hitachi Filter Service Kits a recommended option that suits the needs and budgets of each owner.



Hitachi Filter Service Kit



Model: ZX200-3 - 2000hr		
Part No.: ZX20032000HMEC		
Quantity per machine: 1		
No.	Part Number	Description
1	4658521	FILTER; OIL ENGINE
2	4676385LHS	FILTER; FUEL
3	4719920LHS	FILTER; FUEL
4	YA00016054	FILTER; HYDR. TANK
5	4630525	ELEMENT; FILTER PILOT
6	4648651	STRAINER; OIL TANK
7	4437838	ELEMENT; BREATHER
8	4500685	FILTER; CAB AIRCO
9	4500686	FILTER; CAB DOORSIDE
10	4286130	ELEMENT; AIR INNER
11	4286128	ELEMENT; AIR OUTER



Hitachi technology that supports your business

With consumers showing increased concern towards reducing lifecycle costs and improving machine efficiency, Hitachi Construction Machinery Co., Ltd. has stepped in with ConSite, a consolidated solution service that utilizes ICT, to deliver a consistent level of high-quality service to customers throughout the world.

By linking the customer and construction site, ConSite closely monitors the entire operational status of the machine to improve its overall performance and increase its availability and efficiency. It

ensures the customer has optimally tuned machines to meet their specific needs by sending monthly operational reports and notifying emergency alarms via email. In case of machine trouble, ConSite can detect the urgency of information by using its intelligent filtering system and then report to the consumer immediately.

ConSite is a good tool to facilitate communication with customers as was evident at the Kudamatsu branch sales office in Japan when a caution alarm for high boost temperature was issued for a ZX200-5B with 592 operating hours.



ConSite

Consolidated Solution for Construction Sites

The ConSite operator's suggestion to clean the cooler cores as they are likely to be clogged was complied with and the problem was resolved without a mechanic being dispatched.

In another example, Aiswarya Granites, located in south India observed continuous improvement in productivity and cost reduction by relying on THCM's proposed measures to improve field operations that were based on analysis of ConSite's monthly reports. This led to an order for an additional unit of ZX220-GI and is an exemplary case of team efforts between service and sales through ConSite.

An alarm from a machine working in a remote area in New Zealand was sent to ConSite and the situation was resolved through an impressive teamwork between the CPL headquarters (the dealer) and one of their branches. The Fleet Systems Department also monitored the machine condition for two weeks until the required part was replaced.



International Event: Munich, Germany

“No Compromise” for Hitachi at **Bauma 2016**



Hitachi Construction Machinery (Europe) NV (HCME) was among the leading global manufacturers to unveil a new range of cutting-edge products at Bauma 2016, held in Munich, Germany from 11th to 17th April.

Attracting 3,423 exhibitors from 58 countries and more than half a million visitors from 200 countries this year, the renowned international trade fair for construction machinery, building material

and mining machines, construction vehicles and equipment is held every three years at Messe Munchen.

Hitachi Construction Machinery had more than 40 machines on show - from the new compact wheel loaders to the latest quarrying and mining machines - representing the full range of Hitachi construction machinery products. The highlights on display included the powerful and innovative Zaxis-6 range

of excavators, which offer enhanced durability and efficiency without compromising on performance; and a new line-up of exceptionally versatile compact and medium wheel loaders for the European market. The 5,600 sq m display - modelled on HCME's “No Compromise” marketing campaign - emphasized how owners can “demand more” from the new Hitachi products.





Small parts bearing information such as name, quantity, weight and date that are translated into bar codes are kept in a fixed location. Automatic input of data and reading improves efficiency. The ordered parts in each blue box are separated on the conveyor belt automatically.



According to the WMS data, the inventory turnover for each area - by parts type - is displayed in different colors. Visualizing the distribution of parts achieves cost reduction, shortening lead time.

This area includes an inspection area for items coming in from the manufacturing plant as well as suppliers and also houses the shipment area for parts going out for use in Japan and overseas. On the second floor items are prepared for commercialization and are stored.

All employees entering the facility must undergo a security check with a metal detector. The Central Parts Depot is designated as an authorized exporter and has received approval to make export declarations without having to place the cargo in a bonded area. Since it is absolutely essential to prevent dangerous items such as explosives from being brought into this area, a strict security check is conducted here. Parts supplied by Hitachi plants and suppliers are sorted out into small plastic buckets and medium and large size parts are loaded in pallets at delivery entrance of the first floor and the incoming parts are inspected by using a handy terminal. Small parts are transported to the warehouse on the second floor by a conveyor relay system. This movement of parts by the conveyor

relay is what makes work at the Central Parts Depot more efficient. The movement of large and medium sized parts is done speedily from the large elevator which has a load bearing capacity of 3500 kg and a vertical conveyance machine. An auto labeler automatically generates parts labels for the parts transported to the second floor. The parts labels come with solid features such as micro text and hologram stickers to ensure against counterfeits. Transported by the conveyor relay, each part is sorted according to its respected commercialization line where it is packaged according to each packaging code and readied for the market.

The Tsukuba CPD can also rapidly complete the whole range of shipping operations from parts pickup, inspection, coating, packaging, and vanning since the warehouse is equipped to handle parts coating and rustproofing, which has traditionally been outsourced. Furthermore, the warehouse is licensed as an Authorized Economic Operator/ Regulated Agent, and being able to take products to the port or airport after



Koji Tahara, Lifecycle Support Department, Parts Division.

"For the future of manufacturing, the efficiency of logistics must extend not only to the factory but also to the warehouse as this is key to the growth strategy and customer satisfaction."

completing customs procedures in house has contributed to a major decline in lead time.

Through the Central Parts Depot, HCM will continue to meet the needs of customers around the world and take on the challenge of being a company that provides total solutions.

Fast, efficient and right on track

Since the foundation of the company, Hitachi Construction Machinery has been meeting the needs of its customers on a global scale by developing various types of construction machinery based on proprietary research and sophisticated manufacturing technology. In due course of time, it has established manufacturing bases throughout the world allowing it to make products with local specifications that best suit the area. Under the motto of 'Reliable Solutions', HCM delivers high value added services to its users around the globe.

As a company that has always provided support across the entire product life cycle,

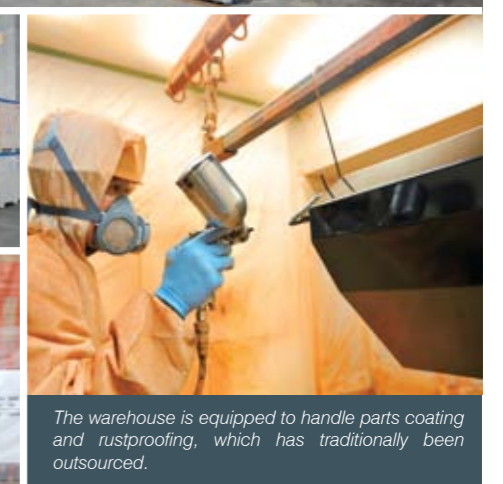
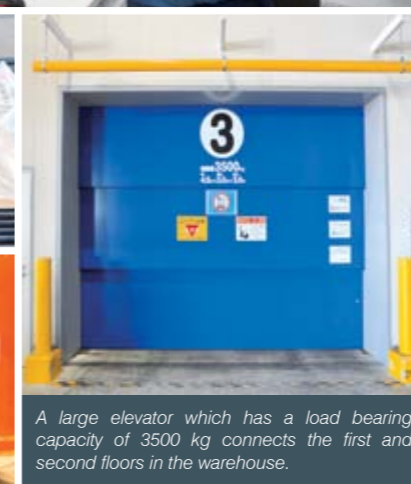
from the initial sale of new construction machines through to maintenance, parts, repair and sales of used machinery, Hitachi Construction Machinery has explicitly designated life cycle support as one of the pillars of its business with the idea of improving customer satisfaction.

In 2014, HCM launched operations of a large distribution center in Tsukuba City, Ibaraki, Japan to rebuild its global supply system for maintenance parts. The Tsukuba Central Parts Depot (CPD), which opened in April 2014, is now the core base in its global parts supply network. The construction and operation of the center incorporates the knowhow of Hitachi Transport System, Ltd., a member

of the Hitachi Group that specializes in logistics. In the warehouse, which encompasses about 52,700 m2 of total floor space in a building with two above-ground stories, the latest movable racks and conveyor-belt system has been installed and a warehouse management system introduced, which has made it possible to efficiently handle more than around 230,000 parts. The first floor chiefly handles incoming and outgoing parts.



About 230,000 kinds of small and large parts are stocked here ranging from the 10mm sized O-ring (several grams) to the crawler of a super-large -sized excavator (5 tons).



The warehouse is equipped to handle parts coating and rustproofing, which has traditionally been outsourced.

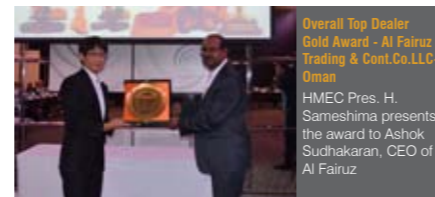
“ The core base in the global parts supply network of Hitachi Construction Machinery is the Tsukuba Central Parts Depot (CPD), which opened in April 2014 in Tsukuba City, Ibaraki, Japan. ”



Dealer conference 2016

Hitachi Construction Machinery Middle East Corporation FZE President Mr. Hidefumi Sameshima inaugurated the annual dealer conference held from 16th to 17th February, 2016 in Dubai, UAE. Hitachi dealers from across the Middle East and

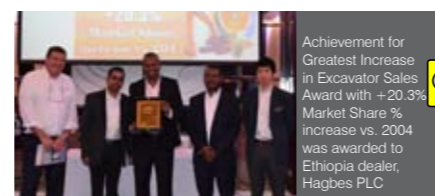
North Africa and over 70 guests attended the two-day event where dealers reviewed the successful year while defining targets for 2016. Hitachi's construction machinery supports the mining, earth moving, construction and quarry industries throughout the MENA region.



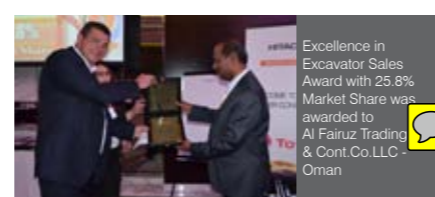
Overall Top Dealer Gold Award - Al Fairuz Trading & Cont.Co.LLC - Oman
HMEC Pres. H. Sameshima presents the award to Ashok Sudhakaran, CEO of Al Fairuz



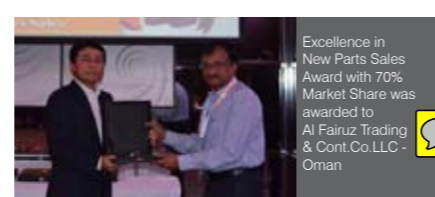
Overall Top Dealer Silver Award - Omar K. Alesayi & Co. Ltd - KSA
HMEC Pres. H. Sameshima presents the award to Mr. Mirza Karim, Business Div. Manager of Alesayi



Achievement for Greatest Increase in Excavator Sales Award with +20.3% Market Share % increase vs. 2004 was awarded to Ethiopia dealer, Hagbes PLC



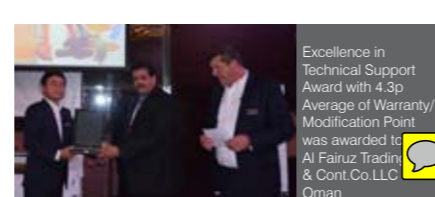
Excellence in Excavator Sales Award with 25.8% Market Share was awarded to Al Fairuz Trading & Cont.Co.LLC - Oman



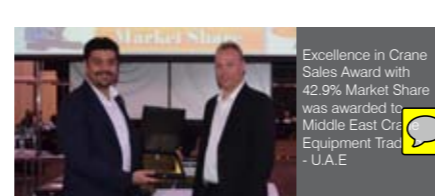
Excellence in New Parts Sales Award with 70% Market Share was awarded to Al Fairuz Trading & Cont.Co.LLC - Oman



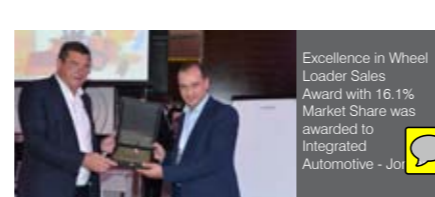
CONSIST Award with 85% Average ratio for Consite utilization was awarded to Arabian Supply Center WLL - Qa



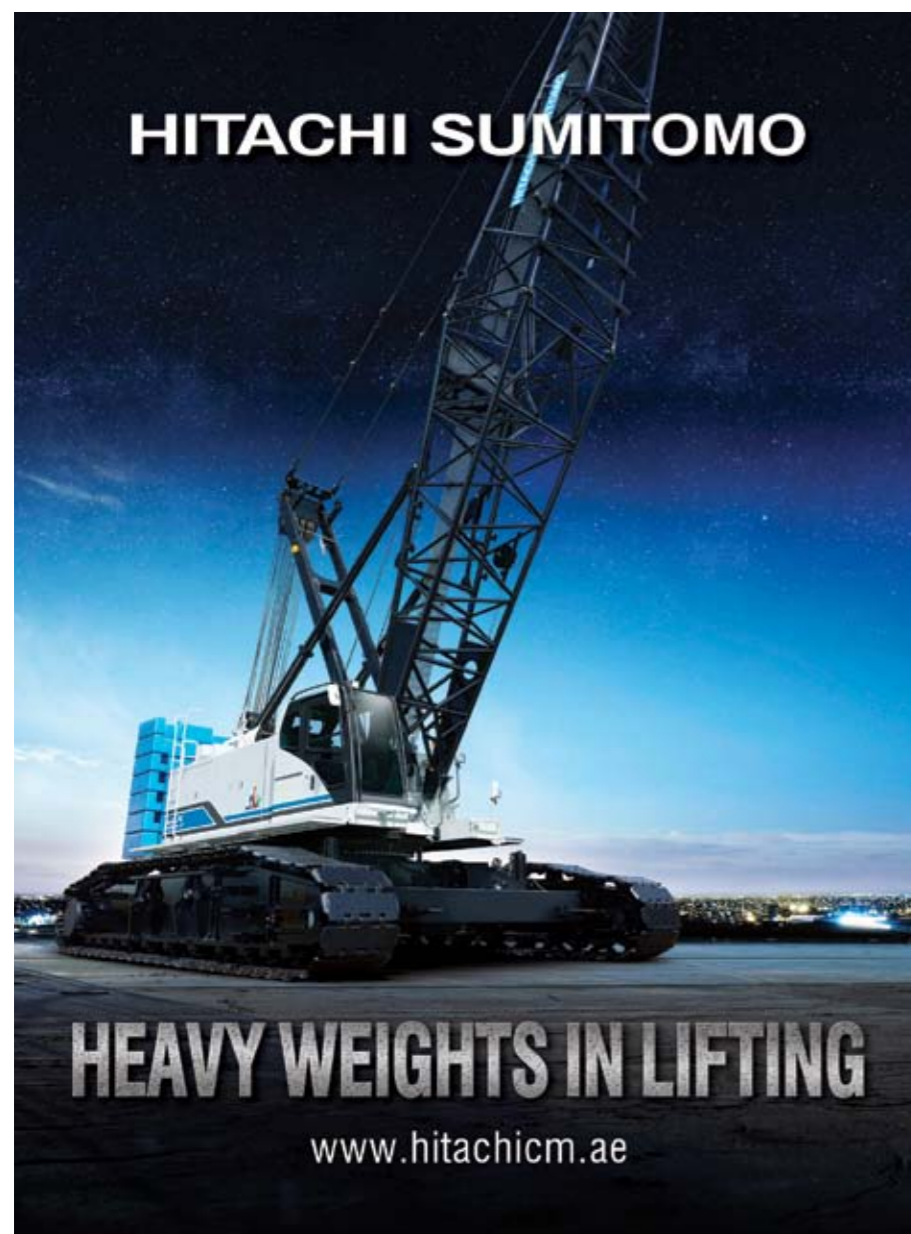
Excellence in Technical Support Award with 4.3p Average of Warranty/Modification Point was awarded to Al Fairuz Trading & Cont.Co.LLC - Oman



Excellence in Crane Sales Award with 42.9% Market Share was awarded to Middle East Cr. Equipment Trac - U.A.E



Excellence in Wheel Loader Sales Award with 16.1% Market Share was awarded to Integrated Automotive - Jor



Creating Roads Towards the Future

Hitachi's comprehensive new range of vibratory plate compactors and rammers provide powerful compaction in tough site conditions to deliver uncompromised performance. The Hitachi vibration-resistant design reduces operator fatigue to enhance productivity.

Compaction Equipment



Reversible Vibratory Plate



Rammer



Vibratory Plate



Walk-Behind Roller

Dealer Locator

BAHRAIN - Yusuf Bin Ahmed Kanoo WLL
Tel: 00973 177 38200
<http://www.ybakanoo.com>

EGYPT - Orascom Trading
Tel: 0020233452510
<http://orascom-trading.com>

ETHIOPIA - Hagbes Pvt. Ltd. Co. (HCM Products)
Tel: 00251 11 663 8647 / 9191
<http://www.hagbes.com>

IRAQ - Savanna Group
Tel: 00964 7400 215 577
<http://savanna.com>

JORDAN - Integrated Automotive
Tel: 00962 6 572 8400
<http://www.ia-jordan.com>

KENYA - Rock Plant (Kenya) Ltd.
Tel: 00254 20 354 43 29
<http://www.rock-plant.co.uk>

KUWAIT - Boodai Trading Company Ltd. WLL
Tel: 00965 248 43986 / 00965 248 41314
<http://www.boodaitrading.com>

LIBYA - Al Qima Heavy Machinery
Tel: 00218 21 481 4831
<http://www.qima.ly>

OMAN - Al Fairuz Trading & Contracting Company LLC
Tel: 00968 2 461 48 62 / 00968 2 461 48 50
<http://www.alfairuzoman.com>

QATAR - Arabian Supply Center (ASC)
Tel: 00974 44580623 / 00974 44580635
<http://www.asc.com.qa>

SAUDI ARABIA - Rolaco Trading and Contracting
Tel: 00966 12 2523456
<http://www.rolaco.com.sa>

SAUDI ARABIA - Omar K. Alesayi & Co. Ltd.
Tel: 00966 12 6448282
<http://www.alesayi.com>

SOUTH SUDAN - Juba Auto Co. Ltd.
Tel: 00249 156111340 / 00211 956799910

SUDAN - TARA International Co., Ltd.
Tel: 00249 185 339524 / 00249 155 154408
<http://www.tara.sd>

TURKEY - ENKA Pazarlama Ihracat Ithalat A.S.
Tel: 0090 216 446 64 64 / 0090216 446 72 19
<http://www.enka.com.tr>

UNITED ARAB EMIRATES - Hitachi Construction Machinery Middle East Corporation FZE
Tel: 00971 4 883 3352
<http://www.hitachi-c-m.com/mideast>

UNITED ARAB EMIRATES - Middle East Crane Equipment Trading LLC
Tel: 00971 2 681 5555
<http://www.mecetrading.com>

YEMEN - Elhussaini Motors Agencies
Tel: 00967 1 208 846 / 7, 537897

Small but incredibly powerful



Bahrain | Egypt | Ethiopia | Iraq | Jordan | Kenya | KSA | Kuwait | Libya | North Sudan
Oman | Qatar | South Sudan | Tanzania | UAE | Uganda

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