

MinterEllison

To ASX Market Announcements, Melbourne

From Alberto Colla

Telephone +61 3 8608 2000

Bart Oude-Vrielink

Telephone +61 3 8608 2000

Our Ref AXC 1140705

Date 9 March 2017

Number of pages (including this one): 5

Subject **Takeover bid for Bradken Limited – Notice of waiver of 50% minimum acceptance condition**

Dear Sir/Madam,

We act for Hitachi Construction Machinery Co., Ltd. (**HCM**).

In accordance with subsection 650F(3)(a) of the Corporations Act 2001 (Cth) (**Act**), we enclose a notice from HCM under section 650F of the Act. The notice confirms that HCM has freed the HCM Offer from the 50% minimum acceptance condition set out in paragraph 5 of Appendix 2 to the Bidder's Statement dated 25 October 2016, as supplemented by its first supplementary bidder's statement dated 30 January 2017. The HCM Offer is now unconditional.

A copy of the attached notice has separately been given to Bradken.

Yours faithfully



Alberto Colla
Partner



Bart Oude-Vrielink
Partner

Level 23 Rialto Towers 525 Collins Street Melbourne VIC 3000
Australia DX 204 Melbourne

If you do not receive all pages please telephone +61 3 8608 2898

IMPORTANT - The contents of this facsimile may be privileged and confidential. Any unauthorised use of the contents is expressly prohibited. If you have received the document in error, please advise us by telephone (reverse charges) immediately and then shred the document. Thank you.

ME_136776320_1

PRESS RELEASE

For immediate release

ASX ANNOUNCEMENT

HCM OFFER DECLARED UNCONDITIONAL

(Thursday, 9 March 2017) – Hitachi Construction Machinery Co., Ltd. (HCM) today provides the following update in relation to its recommended takeover offer for Bradken Limited (Bradken).

As at 8 March 2017:

- the Bradken Shares in which HCM has a relevant interest as a result of acceptances of the HCM Offer is 42.99% of the Bradken Shares on issue; and
- a further 12.78% of Bradken Shares that are the subject of acceptance forms and/or custodian directions held by Computershare Clearing Pty Limited under the institutional acceptance facility established by HCM,

being in total approximately 55.77% of the Bradken Shares on issue.

Waiver of 50% minimum acceptance condition

As foreshadowed in its announcements on 6 March 2017 and 8 March 2017, HCM has, with effect from today and with the consent of Bradken, waived the 50% minimum acceptance condition. The notice from HCM under subsection 630(4) of the *Corporations Act 2001* (Cth) that gives effect to the waiver of the last condition accompanies this announcement.

Accordingly, the HCM Offer is now **unconditional** and Bradken shareholders should accept the HCM Offer promptly and without delay.

10 REASONS WHY YOU SHOULD ACCEPT THE HCM OFFER WITHOUT DELAY

Bradken shareholders should accept the HCM Offer promptly and without delay for the following reasons:

- The HCM Offer is now **unconditional**. There is now no reason to delay your acceptance.
- Bradken's major shareholder, CHAMP Private Equity Pty Ltd, has now accepted the HCM Offer, as have many other Bradken shareholders, thereby delivering control of Bradken to HCM.
- There are **minority shareholder risks** if you do not accept the HCM Offer.¹
- The HCM Offer is currently scheduled to **close at 7.00pm (AEDT) on Friday, 24 March 2017**. HCM has no present intention to extend the closing date of the HCM Offer (subject to any automatic statutory extension that may apply) but reserves the right to do so.
- The HCM Offer of \$3.25 cash provides **certainty of value** and **removes your exposure to the risks and uncertainties** associated with a continued investment in Bradken. These risks and uncertainties are reinforced by Bradken's results for the half year ended 31 December 2016 as announced to ASX on 21 February 2017.
- The HCM Offer provides all Bradken shareholders with **access to full liquidity at a substantial premium** to prices at which Bradken share were trading prior to the announcement of the HCM Offer. The average daily trading volume for Bradken shares in the six months prior to 3 October 2016 (being

¹ These risks are set out in Section 1.9 of HCM's Bidder's Statement dated 25 October 2016 and Section 2.5 of Bradken's Target's Statement dated 25 October 2016.

the date the HCM Offer was announced) was less than 1,000,000 Bradken shares, representing approximately 0.5% of the total number of Bradken shares on issue.

- **All Bradken directors** who hold or control Bradken Shares **have now accepted** the HCM Offer for all Bradken Shares they hold or otherwise control.²
- **The Bradken Board continues to unanimously recommend** the HCM Offer, in the absence of a superior proposal.³
- In the period of over five months since the HCM Offer was announced, **no superior proposal for Bradken has emerged**. Bradken has recently confirmed this.⁴ Accordingly, **the HCM Offer remains the only offer** available for acceptance by Bradken shareholders.
- The HCM Offer of \$3.25 cash per Bradken Share **is final as to price and will not be increased**, subject only to no competing proposal for Bradken being publicly announced.

Potential on-market purchases

As the HCM Offer is now completely unconditional, HCM reserves the right to appoint a broker to stand in the market and purchase on its behalf all Bradken shares offered for sale to it on-market on the ASX from today until the end of the HCM Offer at a price up to \$3.25 for each Bradken share.

Accelerated payment terms

As foreshadowed in its announcement on 13 February 2017, now that the HCM Offer is completely unconditional, HCM will provide accelerated payment to accepting shareholders on the following terms:

- Eligible Shareholders (as defined below) will be paid by Tuesday, 21 March 2017 being 8 business days from (and including) the date of this announcement.
- Eligible Shareholders are each of the following:
 - all Bradken shareholders who have already validly accepted the HCM Offer and whose Acceptance Forms were received by Computershare by 7.00pm (AEDT) on Wednesday, 8 March 2017, being the business day immediately prior to the date of this announcement; and
 - all Bradken shareholders who submitted acceptance forms and/or custodian directions under the institutional acceptance facility established by HCM, provided that those acceptance forms and/or custodian directions were received by Computershare and were not subsequently withdrawn by 7.00pm (AEDT) on Wednesday, 8 March 2017, being the business day immediately prior to the date of this announcement.

Confirmation notice issued under the Institutional Acceptance Facility

Contemporaneously with this announcement, HCM will deliver a confirmation notice to Computershare Clearing Pty Limited (**Facility Operator**) of the institutional acceptance facility to acquire a relevant interest in Bradken Shares that are the subject of Acceptance Instructions lodged with the Facility Operator. Once this notice is given, Acceptance Instructions may no longer be withdrawn.

How to ACCEPT the recommended HCM Offer

Acceptance Forms can be sent by post. HCM will also process signed Acceptance Forms sent by email or fax. However, where an Acceptance Form is sent by email or fax, the original Acceptance Form (including any documents required in order to validly process acceptances, such as certified copies of powers of attorney) must still be posted in accordance with the instructions on the Acceptance Form, and HCM will not be obliged to pay the consideration until it receives those documents.

Issuer Sponsored Holders (Securityholder Reference Number beginning with "I"):

To accept the HCM Offer, a validly completed Acceptance Form must be received at the postal address indicated on the form before the end of the Offer Period. Alternatively, Acceptance Forms sent by facsimile to +61 3 9473 2093 or by email to HCMOffer@computershare.com.au will also be processed by

² See Bradken's Supplementary Target's Statement dated 15 February 2017.

³ See Bradken's Supplementary Target's Statement dated 15 February 2017.

⁴ See Bradken's Supplementary Target's Statement dated 15 February 2017.

HCM (subject to receipt before the end of the Offer Period of the emailed or faxed Acceptance Form and any original supporting documents required in order to validly process any such Acceptance Forms).

CHES Holders (Holder Identification Number beginning with "X"):

If your Bradken shares are held in a broker sponsored holding, to accept the HCM Offer please contact your broker directly before the end of the Offer Period. Alternatively you can return your validly completed Acceptance Form to the postal address indicated on the form.

Acceptance Forms sent by facsimile to +61 3 9473 2093 or by email to HCMOffer@computershare.com.au will also be processed by HCM (subject to receipt of original documents).

Validly completed Acceptance Forms need to be received at the relevant address, or processed by sponsoring brokers, by no later than 7.00pm AEDT on 24 March 2017. Acceptance forms sent to any other address, facsimile or email address may not be accepted.

Information Line

Bradken shareholders who have any other questions about the recommended HCM Offer or want to request a new Acceptance Form may call the HCM Offer Information Line on 1300 648 150 (toll free within Australia) or +61 3 9415 4156 (not toll free from outside Australia).

CORPORATIONS ACT 2001 (Cth)

**NOTICE BY
HITACHI CONSTRUCTION MACHINERY CO., LTD.
UNDER SECTION 650F**

Hitachi Construction Machinery Co., Ltd. (**HCM**) gives notice, under section 650F of the *Corporations Act 2001* (Cth), that in relation to its off-market takeover bid for Bradken Limited ACN 108 693 009, it declares the HCM Offer and any contract resulting from acceptances of the HCM Offer free from the minimum acceptance condition set out in paragraph 5 of Appendix 2 to the Bidder's Statement dated 25 October 2016, as supplemented by its first supplementary bidder's statement dated 30 January 2017 (**Bidder's Statement**).

The HCM Offer is now free from all defeating conditions.

As at the date of this notice, HCM's voting power in Bradken Limited is 42.9930%, comprising 88,577,304 shares out of a total of 206,027,249 ordinary shares on issue.

In addition, HCM notes that the aggregate of:

- the number of Bradken Shares for which acceptance instructions (in the form of acceptance forms and/or directions to custodians to accept the HCM Offer) have been received in the institutional acceptance facility as at 7.30pm (AEDT) on 8 March 2017 (as advised by Computershare Investment Services Pty Limited to HCM); and
- the number of Bradken Shares in which HCM has a relevant interest,

is 55.7736%

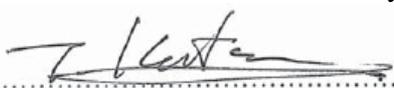
The following table is a breakdown of the aggregate number between those categories.

	Number of Bradken Shares	% of Bradken's existing ordinary shares
Institutional Acceptance Facility	26,331,557	12.7806
Relevant interest	88,577,304	42.9930
Totals	114,908,861	55.7736

Unless the context otherwise requires, defined terms in the Bidder's Statement have the same meaning in this notice.

DATE 9 March 2017

Signed for and on behalf of HCM by


.....
Signature Name Tetsuo Katsurayama

Director of Hitachi Construction Machinery Co., Ltd.