

August 6, 2013

To whom it may concern:

Company Name: Hitachi Metals, Ltd.
Name of Representative: Hiroyuki Fujii,
President and Chief Executive Officer
(Code: 5486; First Section of the Tokyo Stock
Exchange)
Contact: Kazutsugu Kamatani,
Division Head, Corporate Communications Div.
(+81-3-5765-4075)

Formulation of Fiscal 2015 Medium-term Management Plan
Growing Globally as a Manufacturer of Highly Functional Materials Unrivalled Worldwide

Tokyo, Japan, August 6, 2013—Hitachi Metals, Ltd. (head office: Minato-ku, Tokyo; chairman, president, and CEO: Hiroyuki Fujii) has drafted its Fiscal 2015 Medium-term Management Plan (for the period ending in March 2016). The company will strive to sustain its development as a manufacturer of highly functional materials, seeking growth in global markets while strengthening its corporate foundations.

1. Medium-term Management Plan Philosophy

Hitachi Metals has had a focus on quality in its management practices since the time of its founding and contributes to society by offering distinctive materials and products for various industries, including the automotive, electronics, and infrastructure sectors.

Meanwhile, market globalization has accelerated as the world economy has changed structurally, with expectations that competition will be increasingly intense. It was in light of such conditions that Hitachi Metals merged with Hitachi Cable, Ltd. on July 1, 2013. Based on this new structure, we aim to ensure sustainable development by, among other things, strengthening material and product development capabilities; enhancing and expanding market and customer bases; and developing a globalized production and sales system.

Recognizing that the environment surrounding the company is set to change substantially, Hitachi Metals has compiled its medium-term management plan for the period ending in March 2016 as part of its efforts to achieve new growth.

2. Corporate Numerical Targets (consolidated basis)

	FY2013 Forecast (announced July 26, 2013)	FY2015 Target	Reference: FY2012 Performance —Simple Totaling of Hitachi Metals and Hitachi Cable Numbers
Sales	¥780.0 billion	¥880.0 billion	¥897.7 billion
Operating Income	¥53.0 billion	¥75.0 billion	¥25.4 billion
Ordinary Income	¥51.0 billion	¥74.0 billion	¥28.6 billion
Net Income	¥34.0 billion	¥54.0 billion	¥3.8 billion

	Three-Year Total for FY2013–2015
Capital Expenditures	¥141.0 billion
Depreciation Costs	¥112.0 billion
R&D Expenditures	¥54.5 billion

3. Basic Medium-term Management Plan Strategies

Our goal under the fiscal 2015 medium-term plan is to achieve sustained growth as a manufacturer of highly functional materials. To that end, we will boost and accelerate global growth strategies, bolster our capabilities in developing new products and technologies, and maximize the synergy generated by the merger.

The following will be priority items:

(1) Bolster our capabilities in developing new products and technologies

Increasing the speed of everything from material and product development to market launches, commencement of mass production, and sales promotions, we will accelerate the creation and development of the new products that will be our next mainstays.

The development of materials, in particular, serves as the basis of the industrial revolution, and is also the wellspring of the Hitachi Metals Group's continuing existence and contributions to society. In the midst of ongoing efforts to achieve low-carbon societies in countries and regions around the world, we will continue to enhance our efforts and focus corporate resources on environmentally friendly products.

(2) Strengthen and accelerate global growth strategies

Strengthening and expanding our marketing and sales forces while accelerating globalization of our production, we will also strive to strengthen our cost competitiveness on two tracks: improvements to our production technologies and expansion of global procurement and centralized purchasing. We will establish a cost structure to enable us to do battle in the global marketplace.

Doing this will increase our ability to expand into global markets and bolster our competitiveness, and we will put our strengths to work in efforts to expand the scope of our operations in the infrastructure, energy, automotive, and electronics sectors.

(3) Establish robust corporate foundations

We will build robust financial foundations by endeavoring to quickly demonstrate the benefits of our corporate integration, in addition to expanding global procurement and centralized purchasing and cutting IT and logistics costs. In tandem with this, we will deploy capital and assets strategically and adeptly, endeavoring to maximize our corporate value.

Furthermore, as we execute the actions put forth in this medium-term management plan, we will encourage the training and promotion of the human resources who represent our future, providing the driving force to achieve sustained growth.

*The forecast figures, with the exception of actual results, are based on certain assumptions and predictions of the management at the time of preparation. Changes in business conditions or underlying assumptions may cause actual results may differ from those projected. Please refer to "Qualitative Information Regarding Consolidated Forecast" on page 4 for precondition and assumption as the basis of the above forecasts.

For Reference: Medium-Term Management Plan Numerical Targets by Sector (consolidated basis)

Sales

	FY2013 Forecast	FY2015 Target
High-Grade Metal Products and Materials	¥243.5 billion	¥262.0 billion
Magnetic Materials and Applications	¥130.0 billion	¥139.0 billion
High-Grade Functional Components and Equipment	¥187.0 billion	¥202.0 billion
Wires, Cables, and Related Products * after adding Hitachi Cable's FY2013 first quarter numbers	¥222.0 billion * ¥310.3 billion	¥305.0 billion
Other, Adjustments	(¥2.5 billion)	(¥28.0 billion)
Total * after adding Hitachi Cable's FY2013 first quarter numbers	¥780.0 billion * ¥868.3 billion	¥880.0 billion

Operating Income

	FY2013 Forecast	FY2015 Target
High-Grade Metal Products and Materials	¥26.5 billion	¥31.5 billion
Magnetic Materials and Applications	¥12.0 billion	¥16.0 billion
High-Grade Functional Components and Equipment	¥14.5 billion	¥18.5 billion
Wires, Cables, and Related Products * after adding Hitachi Cable's FY2013 first quarter numbers	¥8.5 billion * ¥11.7 billion	¥15.5 billion
Other, Adjustments	(¥8.5 billion)	(¥6.5 billion)
Total * after adding Hitachi Cable's FY2013 first quarter numbers	¥53.0 billion * ¥56.2 billion	¥75.0 billion