

## Hitachi Metals Upping Production of HERCUNITE™ Heat-Resistant Cast Components to Meet Upsurge in Demand for Gasoline Turbo Engines

Hitachi Metals, Ltd. is committing funds to fund a sixty-percent rise in production capacity of its HERCUNITE™ series of heat-resistant cast components for automobiles with gasoline turbo\* engines. The need for greater fuel efficiency is expected to drive demand for these components up sharply.

### 1. Background

The concept of downsizing by combining smaller gasoline engines with turbos to boost automotive fuel efficiency is attracting global attention. So far these gasoline turbo engines have been adopted primarily by European automakers, but they are now making inroads in the Americas and also gaining popularity in Japan, where hybrid technology is quite advanced. Since this innovation has cost advantages over other technologies geared for fuel efficiency, a sharp increase in demand is expected in the Americas and Asia.

Hitachi Metals' HERCUNITE™ series of heat-resistant cast components is used in these gasoline turbo engines. Since HERCUNITE™ components possess the world's best heat resistance compared to other steel cast components and can be customized according to the customer's needs, soaring demand for these components is expected as the production of gasoline turbo engines rises.

### 2. Overview

Hitachi Metals will underwrite a significant rise in production capacity of HERCUNITE™ components at its Kyushu Works to meet an expected rise in demand. The investment will be used to upgrade the casting line and processing equipment, as well as to streamline the sand mold manufacturing process, which will result in a sixty-percent increase in production capacity. By boosting production capacity and product capabilities, Hitachi Metals will meet the needs of our customers around the world and contribute to higher automotive fuel efficiency and environmental performance.

### 3. Investment Details

- (1) Location: Kyushu Works, High-Grade Functional Components Company(Kandamachi, Miyako-gun, Fukuoka-ken)
- (2) Details: Enhancement of the casting line and processing equipment, and streamlining the sand mold manufacturing process
- (3) Production capacity: 1,200 tons/month (currently 750 tons/month)
- (4) Scheduled startup: Latter part of fiscal 2016



HERCUNITE™ series of heat-resistant cast components



Kyushu Works

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\*Turbo: A power plant system in which the pressure of exhaust gas from an automotive engine turns a turbine, and the coaxial compressor compresses intake and raises the pressure of the fuel-air mixture drawn into the engine. The heat-resistant cast components in the HERCUNITE™ series are used in the turbine housing to seat the turbo and in the exhaust manifold to collect engine exhaust gas. The materials used for these components must have excellent resistance to cracking and distortion from heat.