

Operating Base in China Gains New Production Line, Strengthens Hitachi Metals' Rolling Stock Cable Business

Hitachi Metals, Ltd. is pleased to announce the construction of a new line in Suzhou, China to manufacture rolling stock and industrial cables. The new line, which features technologies unique to Hitachi Metals and will strengthen the company's rolling stock cable business, is set to start commercial production in the first half of fiscal 2016.

Hitachi Metals regards the rolling stock sector as a growth driver for the wire and cabling and related products business, and will expand the business in China—the sector's primary market—as well as raise its competitiveness in the cable business for rolling stock on a global level.

1. Purpose of Investment

Hitachi Metals regards the three sectors of rolling stock, medical products and automotive electronic components as growth drivers for its business segment of wires, cables and related products, and is intent on building highly profitable business models in these sectors.

Rail transportation is attracting renewed attention these days because it is energy efficient and emits less CO₂ by transport volume, reducing the environmental burden on the Earth. In overseas markets—particularly Europe and Asia—the pace of upgrading high-speed railway networks is accelerating, driving up demands for rolling stock and related components. China has the world's largest rolling stock manufacturer, and expects robust demand for these products since the country serves as a rolling stock manufacturing base for both domestic and overseas use.

Taking these factors into account, the new production line at Hitachi Cable (Suzhou) Co., Ltd., our Chinese production base for industrial cables will enhance the rolling stock cable business that has excellent potential for sustainable growth.

2. Production Line Outline

The new production line installed is capable of making a wide range of products centering on industrial cables such as rolling stock. Proprietary technologies developed at Hitachi Metals are incorporated in the process of cross linkage, which improves product quality and shortens lead time.

Within the wire and cabling and related products business segment, Hitachi Metals aims to generate sales revenues of ¥14 billion in the rolling stock sector by fiscal 2018 through various growth strategies, chief among them the installation of this production line.



Photo: Rolling stock cables

3. Outline of Hitachi Cable (Suzhou) Co., Ltd.

Location: No. 558 Shijin Road, Xujiang Industrial Park, Xukou Town, Wuzhong District, Suzhou City, China

Representative: Katsuo Sasaka, Chairman of the Board

Capital: 338,613 KRMB

Number of employees: Approx. 1,800

Main products: Industrial cables (rolling stock cables, etc.)

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