

September 7, 2016 Hitachi Metals, Ltd.

Hitachi Metals to introduce harness assembly lines in Europe to strengthen its rolling stock cable business

Hitachi Metals, Ltd. (hereafter, Hitachi Metals) will introduce harness assembly lines for rolling stock wire and cables at its operation base in the Czech Republic in order to strengthen its system for offering solutions in the rolling stock cable business in Europe, with mass production planned to commence in October 2016.

1. Objective and overview

Hitachi Metals has been working to increase the profitability of its Cable Materials Business based on its three growth drivers of rolling stock, medical products, and automotive electrical components. In June 2016, production lines for manufacturing cables for rolling stock and industrial applications using Hitachi Metals' proprietary technologies was introduced at an operation base in China to enhance the competitiveness of its rolling stock cable business.

Against this backdrop, Hitachi Metals will introduce harness assembly lines for rolling stock wire and cables at Hitachi Cable Europe s.r.o. in the Czech Republic—a location that offers convenient access to other European countries. As a result, the system for offering solutions will be strengthened in the European market (including the U.K., Germany, and France), where investments have actively been made to improve railway networks.

Electrical components have been increasingly employed in rolling stock to enhance safety and convenience. The wiring in rolling stock has become more complicated than ever before, resulting in increased difficulty when carrying out work.

Hitachi Metals not only manufactures rolling stock wire and cables but also offers solutions ranging from 3D wiring design service for rolling stock to harness assembly based on design data. The introduction of harness assembly lines at Hitachi Cable Europe s.r.o. will strengthen its system to offer solutions that help rolling stock manufacturers in Europe to reduce man-hours and the fabrication period.

Based on this investment and its global growth strategy in the rolling stock cable business, Hitachi Metals' Cable Materials Business aims to achieve revenue of 14 billion yen in the rolling stock business by FY2018.

Hitachi Metals will exhibit the Hitachi Metals Group products for rolling stock and railway networks (e.g. rolling stock wires and cables) at InnoTrans 2016 (International Trade Fair for Transport Technology) to be held at Messe Berlin in Germany from Tuesday, September 20 to Friday, September 23, 2016.

2. Overview of Hitachi Cable Europe s.r.o.

Prumyslova zona Triangle, Minice 60 Velemysleves, 438 01 Zatec, Czech Republic Address

Representative Toru Taniguchi, Executive Director (President)

Capital 200,000 CZK **Employees** Approx. 90

Main production items Automotive electrical components, brake hoses

[Reference: InnoTrans 2016 (International Trade Fair for Transport Technology)]

Organizer Messe Berlin GmbH

Period Tuesday, September 20-Friday, September 23, 2016

Venue Messe Berlin, Germany Hitachi Metals booth Hall 10.1, Stand 212

Rolling stock wire and cables, Extra high voltage rolling stock cable systems, Trolley wire, Products to be exhibited EMC filters, Rare-earth magnets for motors, Cores for distribution transformers, Cores for by Hitachi Metals

transformers/reactors, Cast iron products for bogies

One of the largest specialist exhibitions of rolling stock technology for passenger and cargo Description

transport suppliers in the world, introducing state-of-the-art products and technologies to the

industry.

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