



November 14, 2016

To whom it may concern:

Company Name: Hitachi Metals, Ltd.
Name of Representative: Hideaki Takahashi, President and
Chief Executive Officer
(Code: 5486; First Section of the Tokyo Stock Exchange)
Contact: Tatsuya Minami, General
Manager, Corporate
Communications Dept.
(Telephone: +81-3-6774-3077)

Notice Concerning the Execution of Agreement on the Transfer of Shares in Seitan Incorporated.

Hitachi Metals, Ltd. (hereinafter, “Hitachi Metals”) hereby announces that it has decided to conduct a transaction (hereinafter, “this transaction”) to transfer all shares held in Seitan Incorporated. (hereinafter, “Seitan”), one of its consolidated subsidiaries, to SNT CORPORATION (hereinafter, “SNT”), by executing a share transfer agreement effective November 14, 2016.

1. Purpose of this transaction

The Hitachi Metals Group has focused on concentrating its resources in business fields in which both higher profitability and growth are expected under its Medium-term Management Plan ending in fiscal 2018. Waupaca Foundry, Inc. (USA), the world largest supplier of iron castings, has been included in the Group as a part of the high-grade functional components company to which Seitan belongs, to put into practice the global growth strategy of casting components for automobiles led by Waupaca Foundry.

Under these circumstances, Hitachi Metals decided that the optimum solution for Seitan, engaging in forging automobile components mainly in small- and medium-size lots, was to entrust its management to SNT, a manufacturer focusing on forged products, so that Seitan will be able to continue its progress and growth in the future.

2. Schedule

This transaction will be executed as scheduled below:

Execution of the agreement: November 14, 2016
Transfer of shares: January 11, 2017 (planned)

3. Future outlook

Following the execution of this transaction, Seitan will be excluded from the scope of consolidation of Hitachi Metals effective January 11, 2017. Since the impact of this transaction on the operating results of Hitachi Metals is negligible, there will be no change in the full-year forecasts for the consolidated fiscal year ending March 31, 2017.

4. Outline of subsidiary subject to transfer

(1)	Company name	Seitan Incorporated.
(2)	Head office	684-1, Futsukamachi, Minami-Uonuma City, Niigata Prefecture
(3)	Representative	Toshiya Kawashima, President and Representative Director
(4)	Major businesses	Design, manufacture and sales of forgings and related processed products and assemblies
(5)	Paid-in capital	350 million yen
(6)	Establishment	October 2, 1989
(7)	Net sales	3,757 million yen (FY 2015)

5. Outline of purchaser

(1)	Company name	SNT CORPORATION
(2)	Head office	3333-3 Kamitezuna, Takahagi, Ibaraki Prefecture
(3)	Representative	Satoshi Hashimoto, President and Representative Director
(4)	Major businesses	Manufacturing and sales of forging parts, Manufacturing of Scaffolding parts and leasing, Manufacturing of Logistics equipment
(5)	Paid-in capital	7,256 million yen (as of March 31, 2016)
(6)	Establishment	November 1948
(7)	Net sales	16,559 million yen (FY 2015)

6. Value and number of shares held before and after transfer

(1)	Number of shares held before transfer	7,000 (Number of voting rights: 7,000; Voting rights ratio: 100%)
(2)	Number of shares transferred	7,000 (Number of voting rights: 7,000)
(3)	Number of shares held after transfer	0 (Number of voting rights: 0; Voting rights ratio: 0%)

(Reference) Forecasts of consolidated operating results for the current fiscal year (as announced on October 27, 2016) and the actual results for the previous consolidated fiscal year

(Million yen)

	Revenues	Adjusted operating income	Income before income taxes	Net income attributable to shareholders of the parent company
Forecasts for the current consolidated operating results (FY ending March 31, 2017)	880,000	67,000	63,000	45,000
Actual results for the previous consolidated fiscal year (FY ended March 31, 2016)	1,017,584	76,061	96,233	69,056

For inquiries from the press: Corporate Communications, Hitachi Metals, Ltd. (Telephone: +81-3-6774-3077)

For inquiries from customers: Automotive Components NM Business Unit, High-Grade Functional Components Company, Hitachi Metals, Ltd. (Telephone: +81-3-6774-3494)