

December 2, 2016

Hitachi Metals, Ltd.

Notice Concerning the Sale of a North America Subsidiary

Hitachi Metals, Ltd. (hereinafter, “the Company”) hereby announces the sale of 100% of its membership interest in SinterMet, LLC (Head Office: Pennsylvania, U.S.A; hereinafter, “SinterMet”) a wholly owned subsidiary of Hitachi Metals America, Ltd. (Head Office: New York, U.S.A.; hereinafter, “HMA”), the Company’s consolidated subsidiary, to an MBO team led by the President of SinterMet, in partnership with an affiliate of Stonewood Capital Management, Inc., a Pittsburgh, Pennsylvania based private equity group.

1. Purpose of the sale

In line with the Medium-term Management Plan ending in FY 2018, the Hitachi Metals Group has been focusing on high-profit, high-growth segments, concurrently with the roll business being concentrated at domestic manufacturing plants in Japan.

Under these circumstances, the Company decided to divest its interest due to the low business synergy with SinterMet, which specializes in sintered tungsten carbide rolls.

The Company’s roll business will make use of the development technologies at our domestic plants to further expand global sales, focusing on high value-added cast which reflect customer needs.

2. Overview of SinterMet

Head Office: Pennsylvania, U.S.A.

Representative: Paul C. Fleiner, Director & President

HMA’s paid in Capital: US\$9,060,000

Principal Business: Manufacturing and sales of tungsten carbide rolls and powder metallurgy rolls

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