



December 12, 2022

To whom it may concern

Company Name: Hitachi Metals, Ltd.
Name of Representative: Mitsuaki Nishiyama
Chairperson, President, and CEO
(Code: 5486; Prime Market of the Tokyo Stock Exchange)
Contact: Izumi Tsubouchi
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**Transition to a company with Audit & Supervisory Board
and change in the officers (including changes of representative) accompanied by the transition**

We hereby announce that we have reached an agreement with a consortium led by Bain Capital (the "New Partners"), which will become our new shareholder after the completion of the ownership transition (Note), regarding the transition from a company with Nominating Committees, etc. system to a company with Audit & Supervisory Board, subject to approval by a resolution of our extraordinary shareholders' meeting to be held on January 5, 2023 (the "Extraordinary Shareholders' Meeting Resolution"), and the executive personnel changes (including changes of representative) associated with such transition.

Note: The Company will become a wholly owned subsidiary of K.K. BCJ-52 through the consummation of a tender offer by BCJ-52, Inc. for the Company's common stock, which commenced on September 27, 2022, and a series of subsequent transactions, including a share consolidation and share repurchase at the Company, which are scheduled thereafter.

Details are as follows;

November 21, 2022 "Announcement of Holding an Extraordinary Shareholders Meeting Related to Share Consolidation, Abolition of the Provisions regarding a Share Unit, and Partial Amendment to the Articles of Incorporation" and "Announcement of Issuance of Class Shares through Third-Party Allotment, Partial Amendment to the Articles of Incorporation, and Reduction in the Amount of Stated Capital, Capital Reserves and Retained Earnings Reserves".

December 9, 2022 "Announcement of Approval for Resolutions Related to Share Consolidation, Abolition of the Provisions regarding a Share Unit, and Partial Amendment to the Articles of Incorporation"

1. Transition to a Company with Audit & Supervisory Board

(1) Transition Objectives

Through the ownership transition, the Company intends to utilize the new partner's financial strength, knowledge, and expertise in management to make large-scale investments and implement reforms in response to changes in the market environment. For the purpose of more prompt and flexible decision-making and execution of such management strategies, the Company will shift from the current "Company with Nominating Committees, etc." system to a Company with Audit & Supervisory Board.

(2) Time of Transition

The Company plans to transition to a company with corporate auditors as of January 5, 2023, following approval of the necessary changes to the Articles of Incorporation for the transition by the "Extraordinary Shareholders' Meeting Resolution" scheduled to be obtained on January 5, 2023.

2. Executive Personnel Changes

(1) summary

The current directors will retire due to the transition to a company with Audit & Supervisory Board. Then, by the "Extraordinary Shareholders' Meeting Resolution", the Company plans to appoint new directors and corporate auditors as of January 5, 2023, as described in (Reference 1). At the same time, as stated in 2(2), a change in representative will occur as of January 5, 2023. In addition, the current Executive Officer will retire due to the transition to a company with Audit & Supervisory Board, and a new Executive Officer is scheduled to be appointed as of January 5, 2023, as described in (Reference 2). As stated in 2(3), persons other than the newly appointed representative directors and current executive officers are also scheduled to be appointed as executive officers.

(2) Change of Representative

① Reason for the change

Mitsuaki Nishiyama, the current CEO (Chief Executive Officer), has concurrently served as Chairman and President since June 2020, and has worked to strengthen the management base by resolving quality assurance issues and reforming the cost structure, as well as promoting the study and implementation of a capital restructuring. The appointment of Sean M. Stack, who has experience in global corporate management, to the positions of President and CEO, upon completion of the ownership transition, will accelerate the transformation and growth of the Company. Accordingly, Naohiko Tamiya will retire from the position of Representative Executive Officer.

② Details of change (effective January 5, 2023)

New title	Name	Current position (As of December 12, 2022)
Representative Director, Executive Chairman	Mitsuaki Nishiyama	Representative Executive Officer, Chairperson and President, CEO and Director
Representative Director, President and CEO	Sean M. Stack	-

Managing Executive Officer, CHRO General Manager, Human Resources & General Administration Division	Naohiko Tamiya	Vice President and Representative Executive Officer General Manager, Human Resources & General Administration Division
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③ Biography, etc. of the new representative, Sean M. Stack

Date of birth October 24, 1966

Career 2004 - 2020 Aleris Corporation
 2016 - 2020 Chairman and CEO
 2015 - 2016 President and CEO
 2014 - 2015 Executive Vice President: Aleris Corporation
 President and CEO: Aleris Rolled Products North America
 2008 - 2013 Executive Vice President and Chief Financial Officer
 2006 - 2007 Executive Vice President: Aleris Corporation
 President: Aleris Europe, Switzerland
 2004 - 2006 Senior Vice President, and
 General Manager of Finance Treasurer
 and Head of Business Development
 2001 - 2004 Vice President and Treasurer, Noveon Inc.
 1996 - 2000 Vice President and Treasurer, Specialty Foods Inc.
 1990 - 1996 ABN AMRO Bank, specializing the Metals and Mining Sector

Academic 1995 Master of Science (MS), Management
 background J.L. Kellogg Graduate School, Northwestern University
 1989 Bachelor of Business Administration (BBA)
 University of Notre Dame

Number of 0 stock
 shares held

(3) Newly Appointed Executive Officers (excluding the newly appointed representative directors and current executive officers of the Company)

New title	Name	Current position (As of December 12, 2022)
Executive Officer, CTrO	Natsuki Tokubuchi	Bain Capital

(Reference 1) Directors and Corporate Auditors (effective January 5, 2023)

Title	Name	Current positions, etc. (as of December 12, 2022)
Representative Director	Mitsuaki Nishiyama	Representative Executive Officer, Chairperson, President and CEO Director of the Company
Representative Director	Sean M. Stack	-
Director	Yuji Sugimoto	Japan Representative, Bain Capital
Director	Masashi Suekane	Managing Director, Bain Capital
Director	Joseph Robbins	Managing Director, Bain Capital, LP (US)
Director	Hidemi Moue	President and Representative Director, Japan Industrial Partners, Inc.
Auditor	Kenichi Nishiie	Board Director, Chairperson of the Company
Auditor	Shunsuke Nakahama	Managing Director, Bain Capital
Auditor	Yuriro Ogawa	Managing Director, Bain Capital

(Reference 2) Executive Officer (effective January 5, 2023)

Title and Responsibility	Name
Representative Director, Executive Chairman	Mitsuaki Nishiyama
Representative Director, President and CEO	Sean M. Stack
Managing Executive Officer, CHRO General Manager, Human Resources & General Administration Division	Naohiko Tamiya
Managing Executive Officer, CFO General Manager, Finance Division	Tony I. Cha
Managing Executive Officer, General Manager, Advanced Components and Materials Division; Deputy General Manager, Corporate Export Regulation Office	Kazuya Murakami
Executive Officer, CQO	Ryoichi Aita
Executive Officer, General Manager, Procurement Division; Chief Risk Management Officer	Yoshie Asaki
Executive Officer, CIO and CDO	Yoshihiro Ammo
Executive Officer, General Manager, Advanced Metals Division; Deputy General Manager, Corporate Export Regulation Office	Toru Taniguchi
Executive Officer, CTrO	Natsuki Tokubuchi
Executive Officer, General Manager, Corporate Management Planning Division	Hisaki Masuda
Executive Officer, Deputy General Manager, Advanced Components and Materials Division; General Manager, Magnetic Materials Business Unit	Kenji Minegishi

Executive Officer, CTO General Manager, Technology, Research & Development Division; General Manager, Global Research & Innovative Center	Hajime Murakami
Executive Officer, General Manager, Marketing & Sales Division	Toru Yamamoto

CEO: Chief Executive Officer
 CHRO: Chief Human Resources Officer
 CFO: Chief Financial Officer
 CQO: Chief Quality Officer
 CIO: Chief Information Officer
 CDO: Chief Digital Officer
 CTrO: Chief Transformation Officer
 CTO: Chief Technology Officer

Of the above, Persons other than Sean M. Stack and Natsuki Tokubuchi are current Executive Officers of the Company.