

For Immediate Release

Hitachi Metals, Ltd. (Oct. 30, 2007)

Code: 5486

URL <http://www.hitachi-metals.co.jp>

2-1 Shibaura 1 chome, Minato-ku, Tokyo

Contact: Naoki Hamamoto, Officer and General Manager

Corporate Communications Tel: +81-3-5765-4073

Stock Exchange where listed (section): Tokyo (First), Osaka (First)

Notice Concerning Distribution from Retained Earnings and Revisions to Dividend Forecasts for the Fiscal Year Ending March 31, 2008

Tokyo, Japan, October 30, 2007 — Hitachi Metals, Ltd. (hereafter referred to as “Hitachi Metals” or “the Company”) announces its decision to distribute from retained earnings a cash dividend to shareholders of record as of September 30, 2007 following ratification at a Board of Directors’ meeting held on October 30, 2007. At the same time, the Company announces a revision to its fiscal year-end dividend for the fiscal year ending March 31, 2008. Brief details are as follows.

1. Cash Dividend Details

(Millions of yen unless otherwise stated)

	Ratified Amount	Current Dividend Forecast (Announced on April 25, 2007)	Dividends Paid for the Fiscal Year Ended March 31, 2007
Base Period	September 30, 2007	September 30, 2007	September 30, 2006
Dividend per Share (Yen)	6.00	5.00	5.00
Dividend Amount	2,124		1,728
Effective Date	November 30, 2007		December 1, 2006
Payment Source	Retained earnings		Retained earnings

2. Revisions to Dividend Forecasts

(Yen unless otherwise stated)

Base Period	Dividend per Share		
	Interim Dividend	Fiscal Year-End Dividend	Annual Dividend
Previous Forecast (Announced on April 25, 2007)	5.00	5.00	10.00
Revised Forecast		6.00	12.00
Dividend per Share for the Fiscal Year Ending March 31, 2008 (Reference)	6.00		
Dividend per Share for the Fiscal Year Ended March 31, 2007	5.00	5.00	10.00

3. Rationale

After taking into consideration a variety of factors including operating results for the six-month period ended September 30, 2007, future business developments and outlook, Hitachi Metals has declared an interim dividend of ¥6.00 per share to be distributed from retained earnings. In addition, the Company intends to pay a fiscal year-end dividend of ¥6.00 per share for the fiscal year ending March 31, 2008 for an annual dividend of ¥12.00 per share.