

# Hitachi Metals, Ltd. (Apr. 25, 2002)

Code:5486

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

## Non-consolidated Financial Report for the 12-month period ended March 31, 2002

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

1. Performance over the year, April 1, 2001 to March 31, 2002 (Figures are rounded off to the nearest million yen)

(1) Operating results	3/02	3/01	(Change)
Net Sales (¥ million).....	<b>236,699</b>	297,733	(20.5%)
Operating income (¥ million).....	<b>(17,093)</b>	7,213	— %
Ordinary income (¥ million).....	<b>(20,503)</b>	15,490	— %
Net income (¥ million).....	<b>(23,074)</b>	3,605	— %
Net income per share (¥).....	<b>(64.61)</b>	10.09	
Diluted net income per share (¥).....	—	—	
Net income shareholders' equity (%)..	<b>(17.7)</b>	2.5	
Ordinary income to total assets (%)...	<b>(6.4)</b>	4.4	
Ordinary income to net sales (%).....	<b>(8.7)</b>	5.2	

Notes: 1. Average number of shares outstanding (3/02: 357,163,624 3/01: 357,165,808)  
2. Accounting policy have been made change.

(2) Dividend	3/02	3/01
Annual dividend per share (¥).....	<b>2.50</b>	10.00
Interim (¥).....	<b>0.00</b>	5.00
End of period (¥) .....	<b>2.50</b>	5.00
Total dividend paid (full year)(¥ million) ..	<b>892</b>	3,571
Payout ratio (%).....	<b>(3.9%)</b>	99.1%
Shareholders' equity yield (%) .....	<b>0.8%</b>	2.5%

(3) Financial standing	3/02	3/01
Total assets (¥ million).....	<b>299,571</b>	345,001
Shareholders' equity (¥ million).....	<b>118,266</b>	143,149
Shareholders' equity ratio(%).....	<b>39.5%</b>	41.5%
Shareholders' equity per share (¥).....	<b>331.12</b>	400.79

Notes: 1. Number of shares outstanding at end of year (3/02: 357,153,456, 3/01: 357,168,000)  
2. Number of treasury stock outstanding at end of year (3/02: 15,231 3/01: 687)

2. Forecasts of results for the term, April 1, 2002 to March 31, 2003

	Interim	Full year
Net sales (¥ million).....	114,500	243,000
Ordinary income (¥ million).....	2,250	6,000
Net income (¥ million).....	1,850	1,250
Interim dividends per share (¥).....	Not Declared	—
(Dividends at end of period per share) (¥)	—	Not Declared
Annual dividends per share (¥).....	—	Not Declared

Reference: Expected net income per share (full-year basis) ¥3.50

The Company will determine both interim and year-end cash dividends after careful consideration of its financial performance and the overall business environment.

Note: The outlooks for performance presented in this document are statements regarding future plans, not historical facts, and represent the judgments of the management of the Company based on current conditions as well as certain premises and assumptions. In fact, changes in assumptions and prevailing conditions as well as other developments, along with a wide range of other factors may lead to outcomes that differ substantially from those presented in this document. For these reasons, the Company requests that all parties concerned refrain from relying exclusively on these outlooks when making investment and other decisions.

## Sales Results and Orders Received by Operating Division

### 1. Sales results

	(Millions of Yen)			(Reference)	
	<b>Fiscal 2001 (Mar. 31,02) (A)</b>	Fiscal 2000 (Mar. 31,01) (B)	Change (A)/(B)	1 <sup>st</sup> half 2001	2 <sup>nd</sup> half 2001
High-grade Metal Products and Materials.....	<b>102,622</b>	129,204	79%	52,433	50,189
Electronics and IT Devices.....	<b>31,601</b>	49,125	64%	16,823	14,777
High-grade Casting Components for Automobiles.....	<b>47,639</b>	62,463	76%	23,968	23,671
Construction Components, Plant and Equipment.....	<b>54,835</b>	56,940	96%	23,630	31,205
<b>Total.....</b>	<b>236,699</b>	297,733	80%	116,856	119,843

### 2. Export Sales results

	(Millions of Yen)			(Reference)	
	<b>Fiscal 2001 (Mar. 31,02) (A)</b>	Fiscal 2000 (Mar. 31,01) (B)	Change (A)/(B)	1 <sup>st</sup> half 2001	2 <sup>nd</sup> half 2001
High-grade Metal Products and Materials.....	<b>27,361</b>	32,797	83%	12,918	14,443
Electronics and IT Devices.....	<b>13,303</b>	23,314	57%	6,933	6,369
High-grade Casting Components for Automobiles.....	<b>2,840</b>	9,080	31%	1,546	1,294
Construction Components, Plant and Equipment.....	<b>735</b>	1,062	69%	468	267
<b>Total.....</b>	<b>44,240</b>	66,255	67%	21,865	22,374

### 3. Orders received

	(Millions of Yen)			(Reference)	
	<b>Fiscal 2001 (Mar. 31,02) (A)</b>	Fiscal 2000 (Mar. 31,01) (B)	Change (A)/(B)	1 <sup>st</sup> half 2001	2 <sup>nd</sup> half 2001
Orders received.....	<b>224,126</b>	300,510	75%	117,220	106,905
of which Export.....	<b>41,587</b>	61,035	68%	19,303	22,284
of which Construction Components, Plant and Equipment.....	<b>50,380</b>	64,507	78%	29,823	20,557
<b>Orders backlogs.....</b>	<b>48,127</b>	60,700	79%	61,065	48,127

## Comparative Balance Sheets

### ASSETS

	(Millions of Yen)		
	End of 3/02 (A)	End of 3/01 (B)	Change (A)-(B)
<b>Current assets:</b>			
Cash and deposits in banks	9,693	8,418	1,274
Notes receivable	2,293	7,276	(4,982)
Accounts receivable	38,667	53,702	(15,034)
Receivables for completed construction work	6,161	19,195	(13,034)
Cash pooling deposit	10,625	—	10,625
Negotiable securities	7,551	28,794	(21,243)
Products	4,765	6,097	(1,332)
Semi-products	1,369	2,112	(743)
Materials	10,524	13,546	(3,022)
Work in process	15,524	25,418	(9,894)
Deferred tax assets	4,533	3,382	1,151
Other current assets	16,253	10,572	5,681
Allowance for doubtful accounts	(149)	(300)	151
Total current assets	<u>127,814</u>	<u>178,217</u>	<u>(50,402)</u>
<b>Fixed assets:</b>			
<u>Tangible fixed assets</u>			
Buildings and structures	26,188	25,565	622
Machinery, equipment and vehicles	38,414	46,100	(7,685)
Tools, furniture and fixtures	2,011	2,069	(58)
Land	21,048	20,758	290
Construction in progress	2,330	4,081	(1,750)
Total tangible fixed assets	<u>89,993</u>	<u>98,575</u>	<u>(8,582)</u>
<u>Intangible fixed assets</u>	<u>1,020</u>	<u>710</u>	<u>309</u>
<u>Investments, etc.</u>			
Investment securities	1,462	1,571	(108)
Stock of affiliated company	32,389	29,985	2,403
Long-term loans	12,095	13,093	(998)
Deferred tax assets	26,376	11,208	15,168
Other	8,616	11,790	(3,174)
Allowance for doubtful accounts	(196)	(151)	(45)
Total investment, etc.	<u>80,743</u>	<u>67,498</u>	<u>13,244</u>
Total fixed assets	<u>171,756</u>	<u>166,784</u>	<u>4,972</u>
<b>Total assets</b>	<u><u>299,571</u></u>	<u><u>345,001</u></u>	<u><u>(45,430)</u></u>

## Comparative Balance Sheets

### LIABILITIES and SHAREHOLDERS' EQUITY

	(Millions of Yen)		
	End of 3/02 (A)	End of 3/01 (B)	Change (A)-(B)
<b>Liabilities:</b>			
<u>Current Liabilities</u>			
Accounts payable	30,787	32,163	(1,376)
Short-term debt	22,536	20,886	1,650
Bonds redeemable within a year	5,000	33,859	(28,859)
Accrued payables	4,957	7,312	(2,355)
Accrued income tax	62	65	(3)
Expenses payable	9,215	7,372	1,843
Advances received	3,536	7,130	(3,594)
Other	3,410	3,921	(512)
Total current liabilities	<u>79,504</u>	<u>112,713</u>	<u>(33,208)</u>
<u>Fixed liabilities</u>			
Bonds	44,900	49,900	(5,000)
Long-term debt	33,510	11,578	21,931
Reserve for retirement benefits	22,861	26,163	(3,302)
Reserve for directors' retirement bonuses	311	791	(479)
Others	216	705	(488)
Total fixed liabilities	<u>101,800</u>	<u>89,138</u>	<u>12,661</u>
Total Liabilities	<u>181,305</u>	<u>201,851</u>	<u>(20,546)</u>
<b>Shareholders' equity:</b>			
Paid-in capital	26,283	26,283	—
Capital surplus	36,699	36,699	—
Profit reserve	6,570	6,570	—
Special depreciation reserve	691	723	(32)
Special reserve	68,580	68,580	—
Retained earnings at end of year	(20,996)	3,832	(24,828)
(Net income for the year)	(23,074)	3,605	(26,680)
Appraisal gain(loss) for other marketable securities	443	460	(16)
Treasury stock	(5)	—	(5)
Total shareholders' equity	<u>118,266</u>	<u>143,149</u>	<u>(24,883)</u>
<b>Total Liabilities and shareholders' equity</b>	<u>299,571</u>	<u>345,001</u>	<u>(45,430)</u>

## Comparative Statement of profit and loss

	(Millions of Yen)			
	Fiscal 2001 (Mar.31,02) (A)	Fiscal 2000 (Mar.31,01) (B)	(difference) (A)-(B)	(A)/(B) (%)
<b>Net sales</b> .....	<b>236,699</b>	297,733	(61,034)	80
<b>Cost of sales</b> .....	<b>217,164</b>	254,840	(37,676)	85
Gross profit.....	<b>19,535</b>	42,893	(23,358)	46
<b>Selling, general and administrative expenses</b> ...	<b>36,628</b>	35,679	949	103
Operating Profit and loss.....	<b>(17,093)</b>	7,213	(24,306)	—
<b>Other income:</b>				
Interest and dividends.....	<b>2,634</b>	3,283	(649)	80
Other.....	<b>3,214</b>	11,104	(7,890)	29
Total other income.....	<b>5,849</b>	14,388	(8,539)	41
<b>Other deductions:</b>				
Interest payment.....	<b>2,056</b>	1,811	245	114
Other.....	<b>7,203</b>	4,300	2,903	167
Total other deductions.....	<b>9,259</b>	6,111	3,148	152
<b>Ordinary profit (loss)</b> .....	<b>(20,503)</b>	15,490	(35,994)	—
<b>Extraordinary profit (loss)</b>				
Retirement benefit trust gain.....	—	4,479	(4,479)	—
Gains from sale of fixed assets.....	<b>747</b>	633	114	118
Gain from the disposal of subsidiaries.....	<b>149</b>	211	(62)	71
Retirement benefit trust loss.....	—	(11,027)	11,027	—
Write-off Discrepancies as a Result of Changes in Accounting.....	<b>(2,914)</b>	(2,914)	—	100
Loss on structural reform.....	<b>(16,669)</b>	(392)	(16,277)	—
Loss on liquidation of affiliated company.....	—	(90)	90	—
Total.....	<b>(18,688)</b>	(9,100)	(9,588)	—
<b>Income before income tax</b> .....	<b>(39,191)</b>	6,390	(45,581)	—
Corporation, inhabitant and enterprise taxes.....	<b>191</b>	276	(85)	69
Adjustment account for corporate tax.....	<b>(16,308)</b>	2,509	(18,817)	—
<b>Net income (Loss)</b> .....	<b>(23,074)</b>	3,605	(26,679)	—
Retained earnings brought forward.....	<b>2,078</b>	2,012	66	103
Interim dividends.....	—	1,785	(1,785)	—
<b>Retained earnings at end of year</b> .....	<b>(20,996)</b>	3,832	(24,828)	—
Appropriated amount of special reserve.....	<b>24,000</b>	—	24,000	—
Appropriated amount of special depreciation reserve.....	<b>183</b>	155	28	—
<b>Total</b> .....	<b>3,186</b>	3,987	(801)	—
<b>The appropriation are as follows:</b>				
Cash dividends.....	<b>892</b>	1,785	—	—
Special depreciation reserve.....	<b>68</b>	123	—	—
Other reserves.....	<b>342</b>	—	—	—
<b>Retained earnings carried forward</b> .....	<b>1,883</b>	2,078	—	—