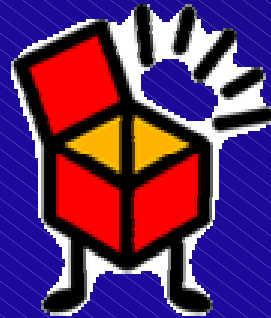


Financial Highlights

(the 12-month period ended Mar.31,2003)



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Apr.25, 2003

Hitachi Metals, Ltd.

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

E-Mail : hmir@hitachi-metals.co.jp

Notes: "△" signs ahead of figures mean "minus".

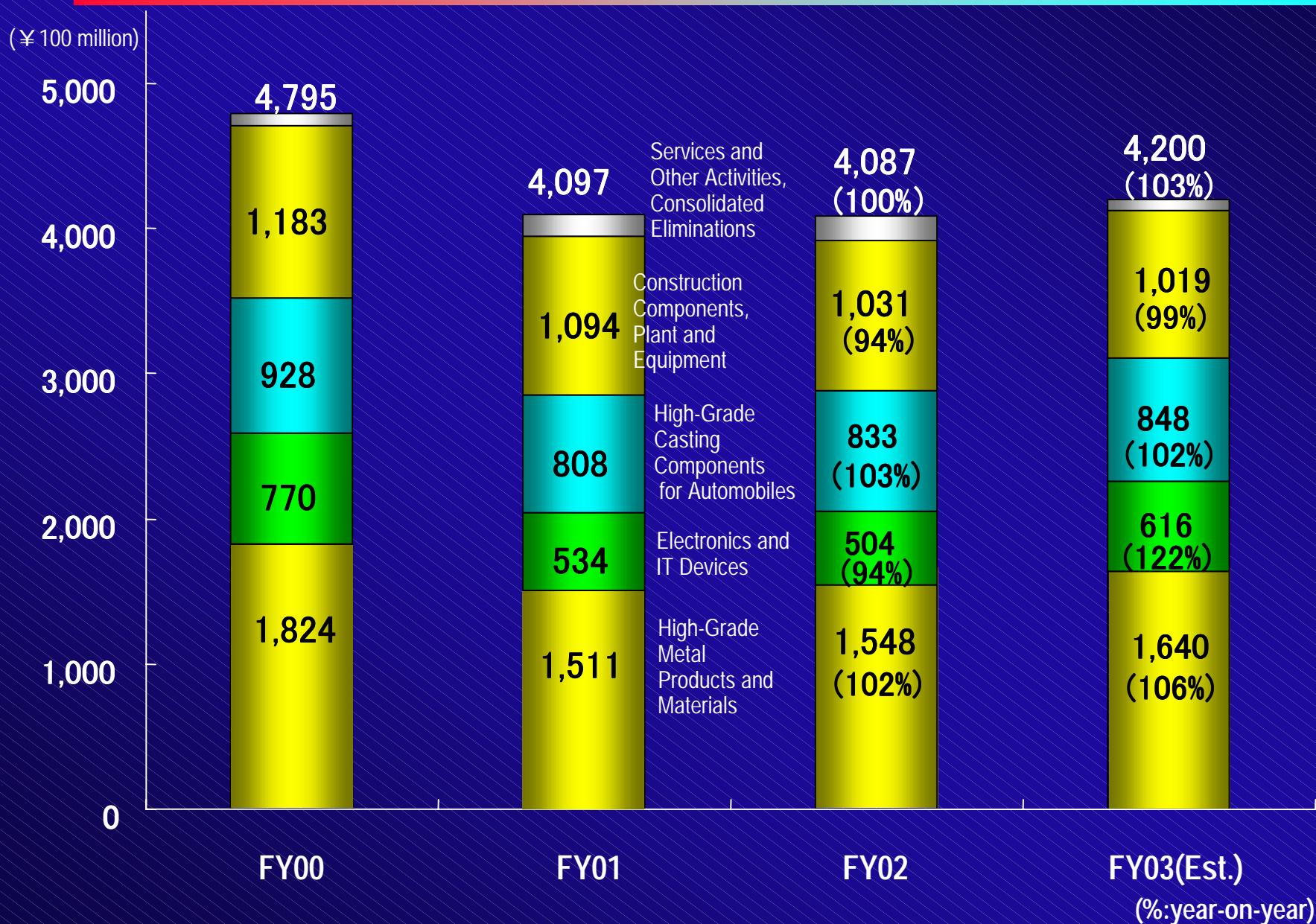
Highlights



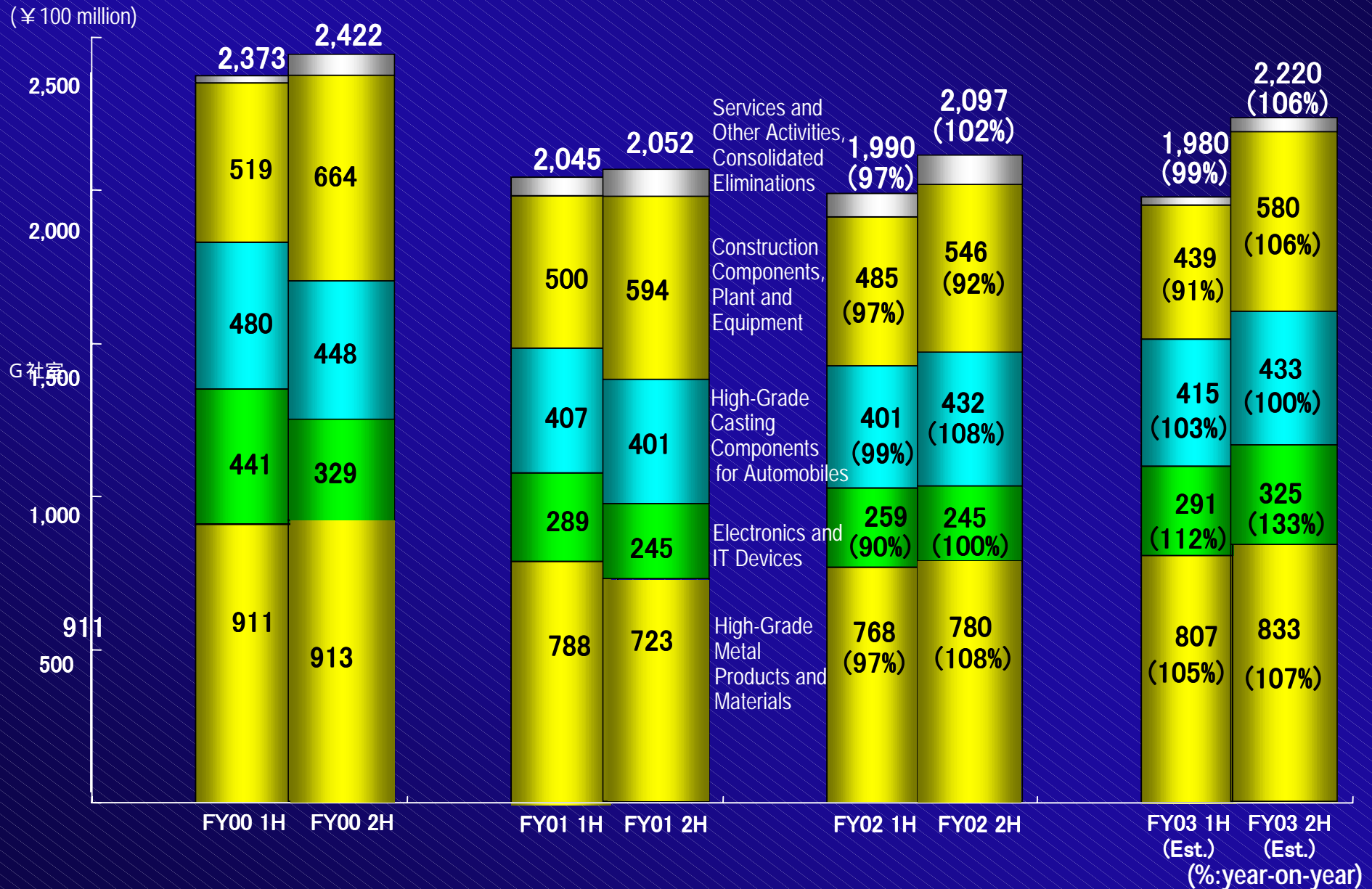
(¥100 million)

| | Consolidated | | | Non-consolidated | | |
|-----------------------------|--------------|-------|------------------------|------------------|-------|------------------------|
| | FY01 | FY02 | Increase (Decrease) | FY01 | FY02 | Increase (Decrease) |
| Net Sales | 4,097 | 4,087 | Δ10 | 2,367 | 2,468 | +101 |
| Operating Income | Δ110 | 126 | +236 | Δ171 | 41 | +212 |
| Ordinary Income | Δ180 | 106 | +286 | Δ205 | 52 | +257 |
| Extraordinary Profit & Loss | Δ253 | Δ55 | +198 | Δ187 | Δ16 | +171 |
| Income before income tax | Δ433 | 51 | +484 | Δ392 | 36 | +428 |
| Net Income | Δ272 | 7 | +279 | Δ231 | 17 | +248 |

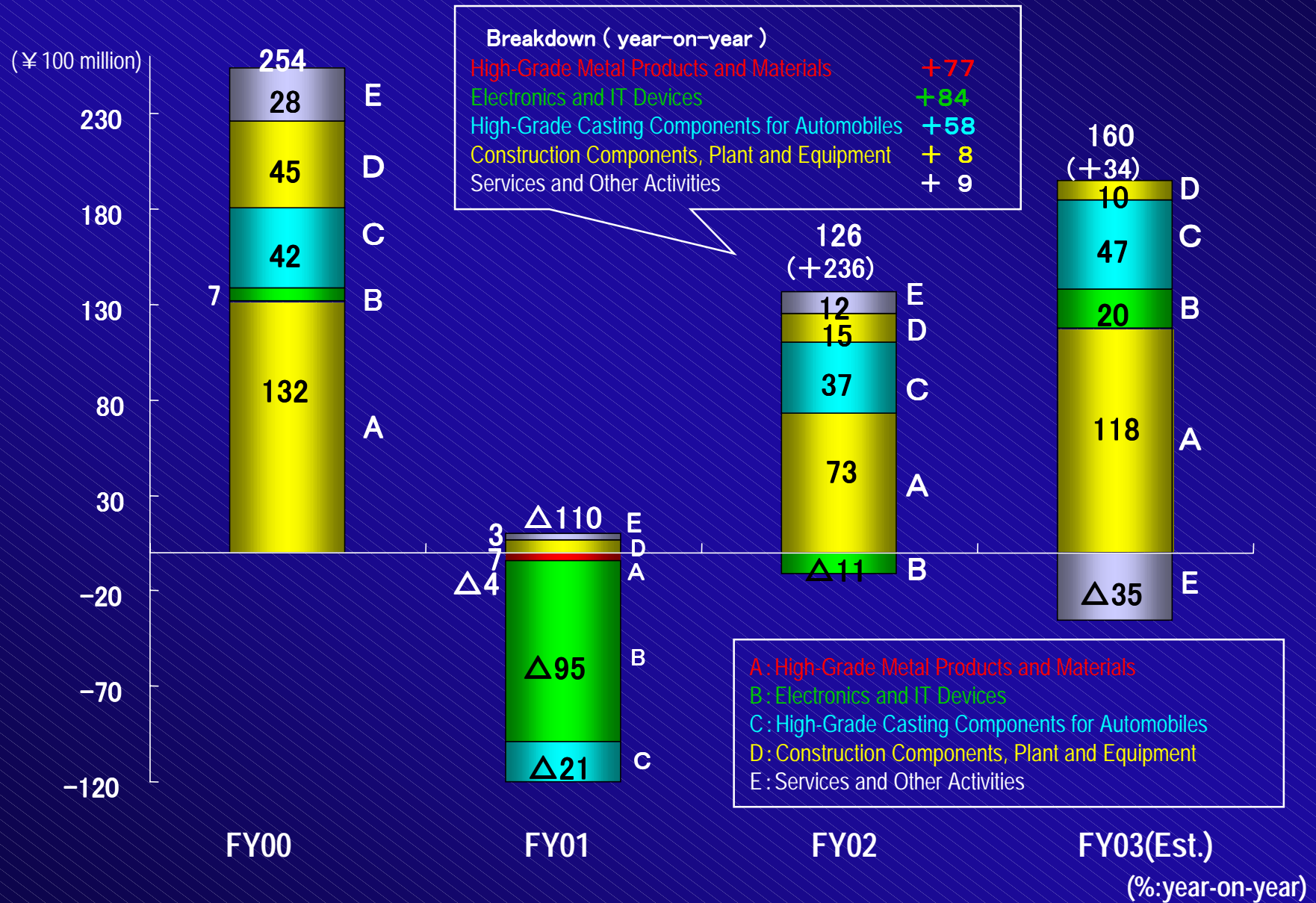
Consolidated Net Sales (By Segment)



Consolidated Net Sales (By Segment)



Consolidated Operating Profit (By Segment)



Nonoperating profit and loss topics



(¥ 100 million)

| | FY01 | FY02 1H | FY02 2H | FY02 | Increase (Decrease) |
|--|------|---------|---------|------|------------------------|
| Interest and discount charges | △38 | △13 | △12 | △25 | +13 |
| Inventories, Loss from sale of fixed assets | △54 | △4 | △5 | △9 | +45 |
| Currency exchange profit and loss | 7 | △9 | 1 | △8 | △15 |
| Others | 15 | 13 | 9 | 22 | +7 |
| Total | △70 | △13 | △7 | △20 | +50 |

Special profit and loss topics



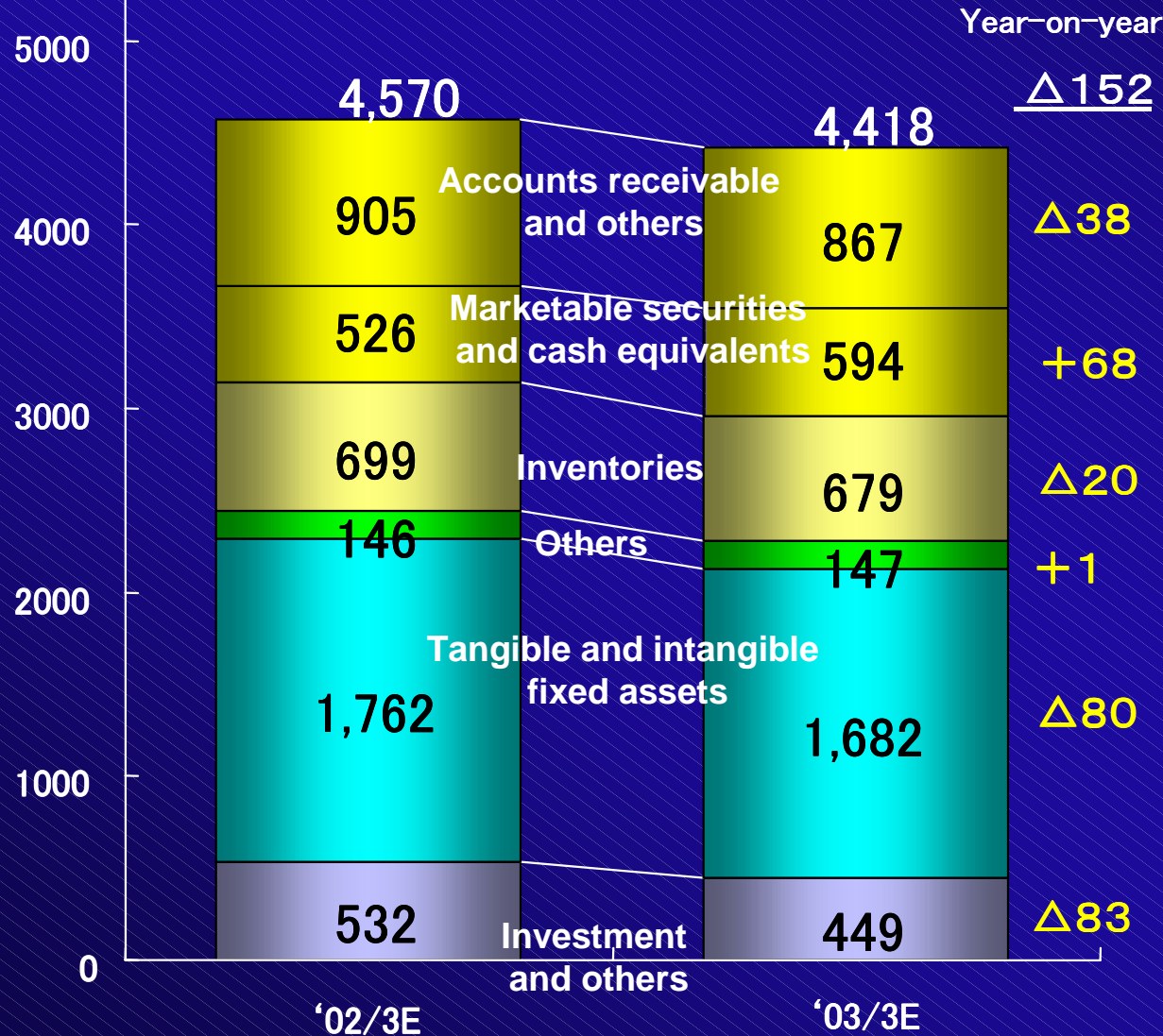
(¥ 100 million)

| | FY01 | FY02 1H | FY02 2H | FY02 | Increase (Decrease) |
|--|-------------|----------|------------|------------|------------------------|
| Return of the portion of public pension funds administered by the Company | — | 22 | — | 22 | +22 |
| Adoption of defined contribution pension plan | — | — | △33 | △33 | △33 |
| Amortization of unrecognized transitional obligation | △37 | △15 | △15 | △30 | +7 |
| Loss on structural reform | △245 | — | △16 | △16 | +229 |
| Sale of land | 9 | 1 | 1 | 2 | △7 |
| Gain from the disposal of stocks of affiliated Companies, equity variable profit | 20 | — | — | — | △20 |
| Total | △253 | 8 | △63 | △55 | +198 |

Balance Sheet: Assets



(¥ 100 million)

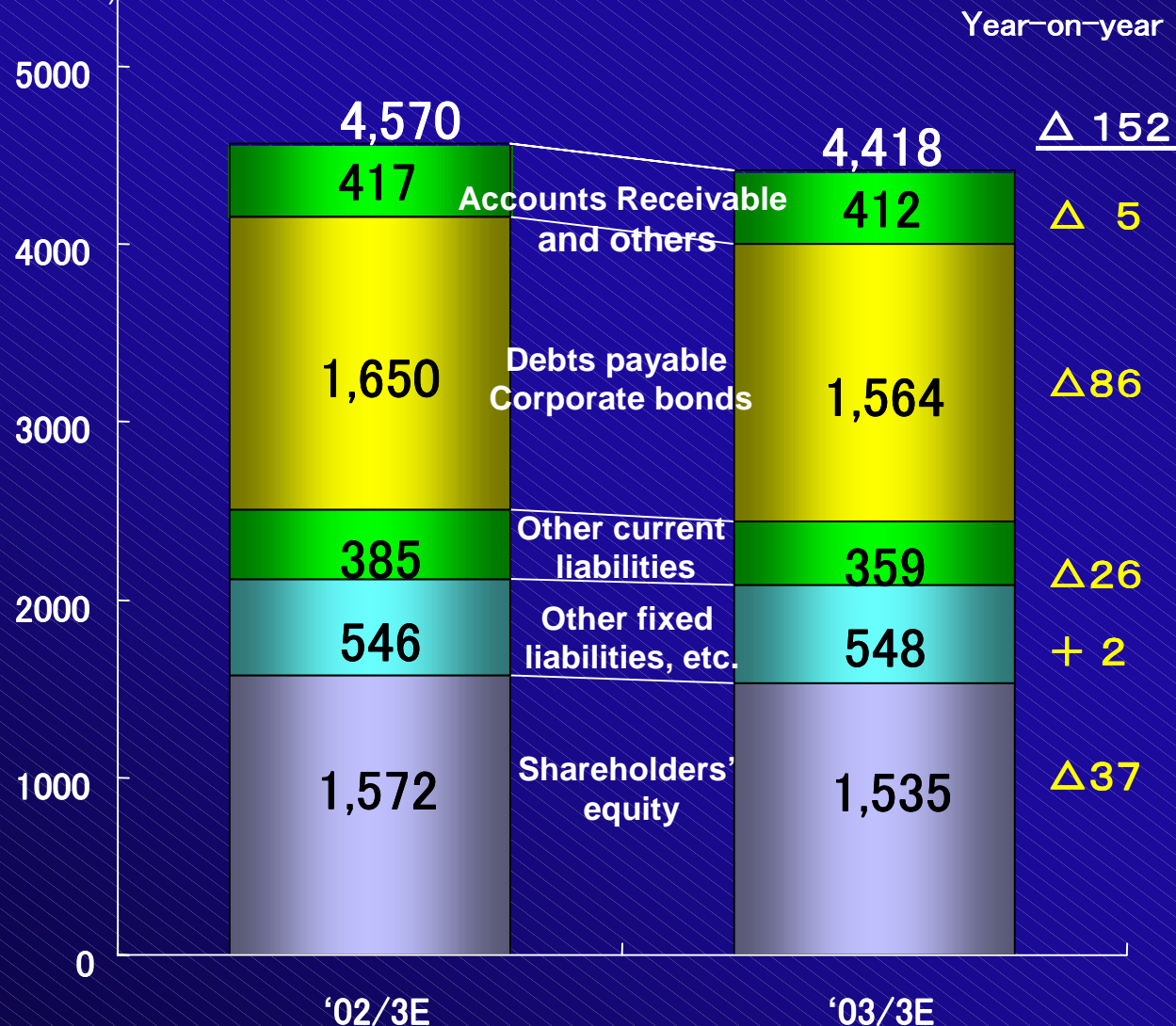


| 03/3E | |
|---|------|
| Increase(decrease) | |
| 【Accounts receivable and others】 | |
| Notes receivable | Δ58 |
| Accounts receivable | Δ52 |
| Receivables for completed construction work | +72 |
| 【Marketable securities and cash equivalents】 | |
| Marketable securities | Δ59 |
| cash equivalents | +31 |
| Affiliate deposits | +96 |
| 【Inventories】 | |
| Parent company only | +19 |
| Subsidiaries | Δ39 |
| 【Tangible and intangible fixed assets】 | |
| Capital investment | 162 |
| Depreciation costs | Δ212 |
| Disposal and retirement | Δ13 |
| Currency exchange transition | Δ17 |
| 【Investment and others】 | |
| Long-term invested assets | Δ40 |
| Deferred tax assets | Δ23 |

Balance Sheet: Liabilities



(¥ 100 million)



| 03/3E Increase(decrease) | |
|--|------|
| 【 Accounts Receivable and others 】 | |
| Parent company only | △ 36 |
| Subsidiaries, Eliminated | + 31 |
| 【 Debts payable Corporate bonds 】 | |
| Parent company only | △ 47 |
| Subsidiaries, Eliminated | △ 39 |
| 【 Shareholders' equity 】 | |
| Appraisal gain/loss on marketable securities | △ 6 |
| Foreign currency Translation adjustments | △ 27 |
| Earned surplus | △ 3 |

Consolidated Cash Flows



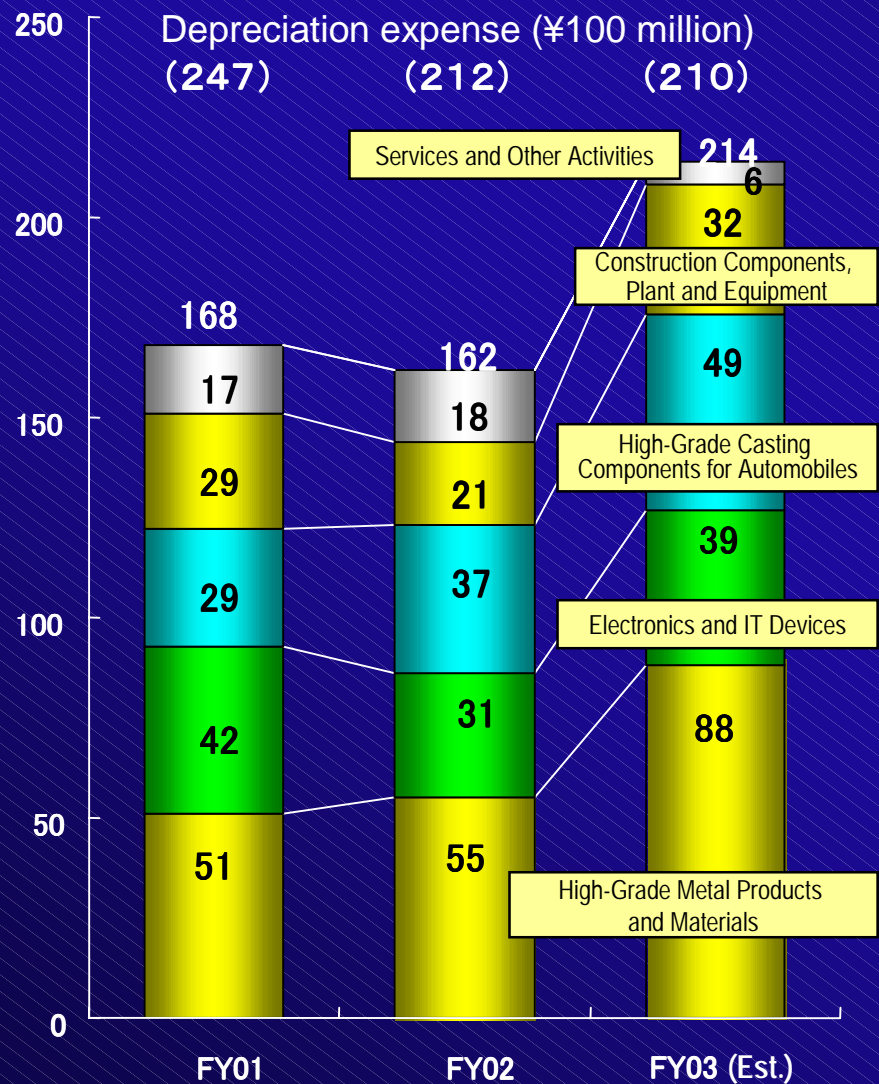
(¥ 100 million)

| Item | 02/3 | 03/3 |
|---|------------|------------|
| Net income before tax adjustments | △433 | 51 |
| Depreciation costs | 237 | 212 |
| Capital investment | △178 | △163 |
| Others | 529 | 126 |
| Free cash flow | 155 | 226 |
| Reducing borrowings | △194 | △78 |
| Dividend payments | △19 | △11 |
| Others | 8 | △11 |
| Net increase in cash during Current Period | △50 | 126 |

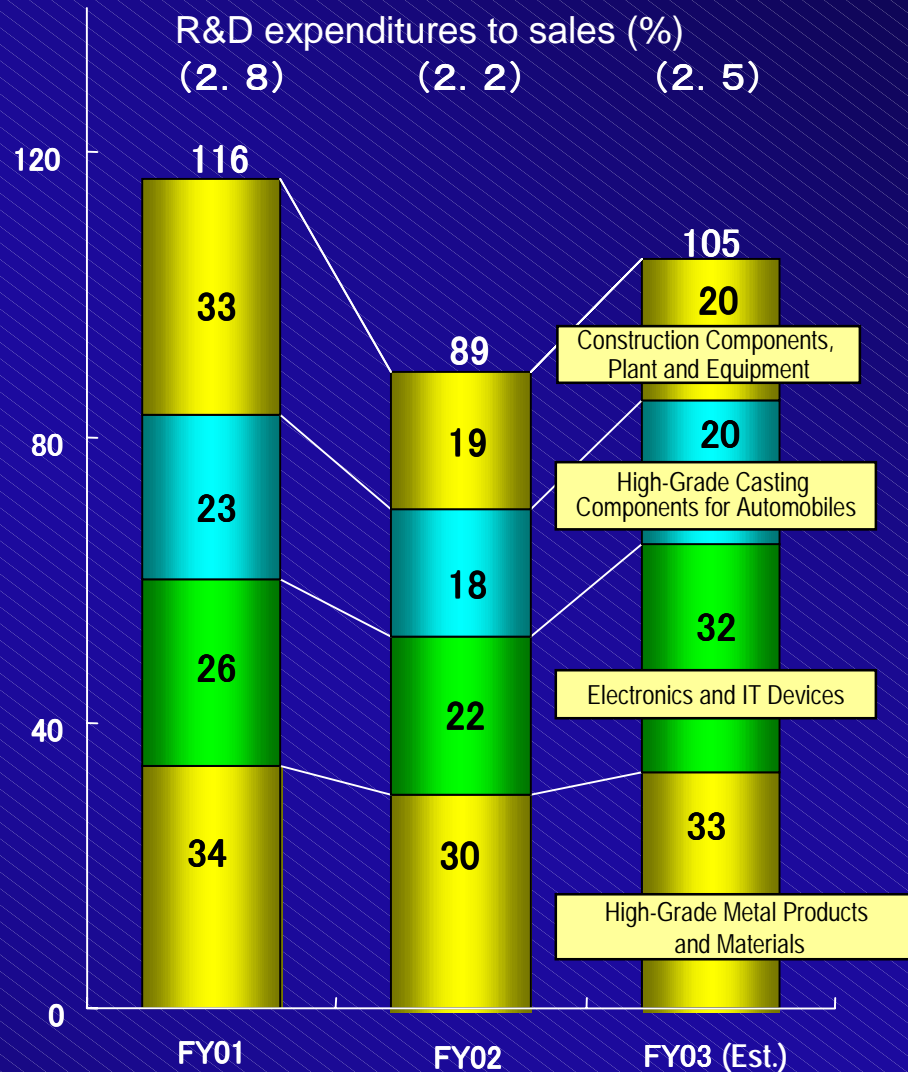
Capital Investment and R&D Expenditures



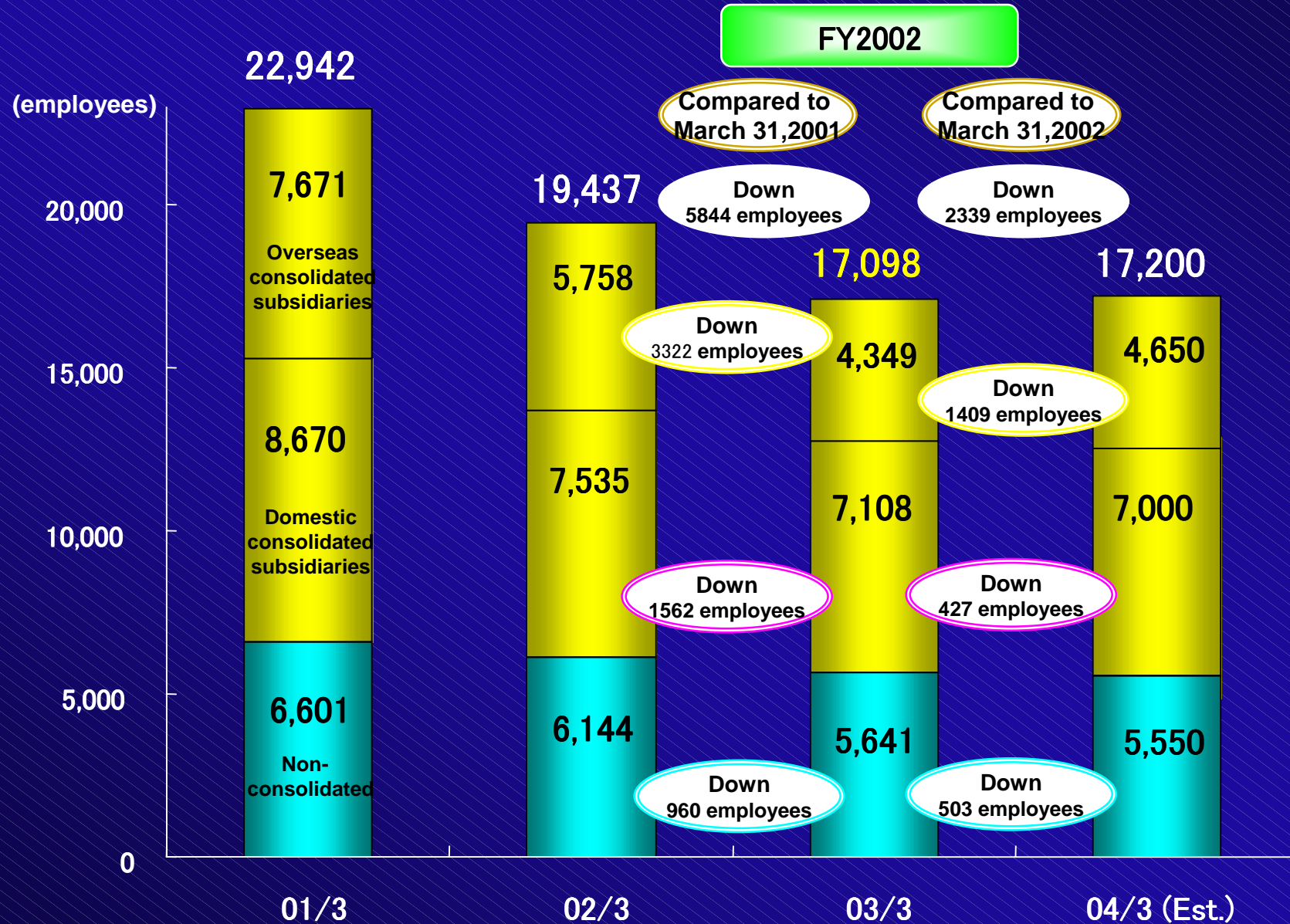
(¥100 million) < Capital Investment Breakdown >

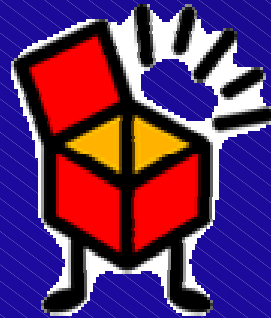


(¥100 million) < R&D Expenditures Breakdown >



Human Resource Trends





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