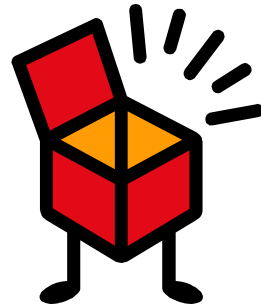


Financial Highlights

(the 12-month period ended Mar.31,2005)



Materials Mag!c

Apr.27, 2005

Hitachi Metals, Ltd.

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

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

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

Business Segments (FY2004)



High-Grade Metal Products and Materials

Specialty Steel Company

Roll Company

Hitachi Tool Engineering Group

Electronics and IT Devices

Information Systems Components Company

NEOMAX Group

Finemet / Metglas Business
Development Office
OE Device Division

High-Grade Functional Components and Equipment

Automotive Components Company

Piping Components Company

Hitachi Metals Techno Group

Service and Others

Environmental Systems Division

Sales and Service Company

Other Manufacturing Company

Business Segments (FY2005~)



High-Grade Metal Products and Materials

Specialty Steel Company

Roll Company

Hitachi Tool Engineering Group

Electronics and IT Devices

Information Systems Components Company

Soft Magnetic Materials Company

NEOMAX Group

High-Grade Functional Components and Equipment

Automotive Components Company

Piping Components Company

Hitachi Metals Techno Group

Service and Others

Environmental Systems Division

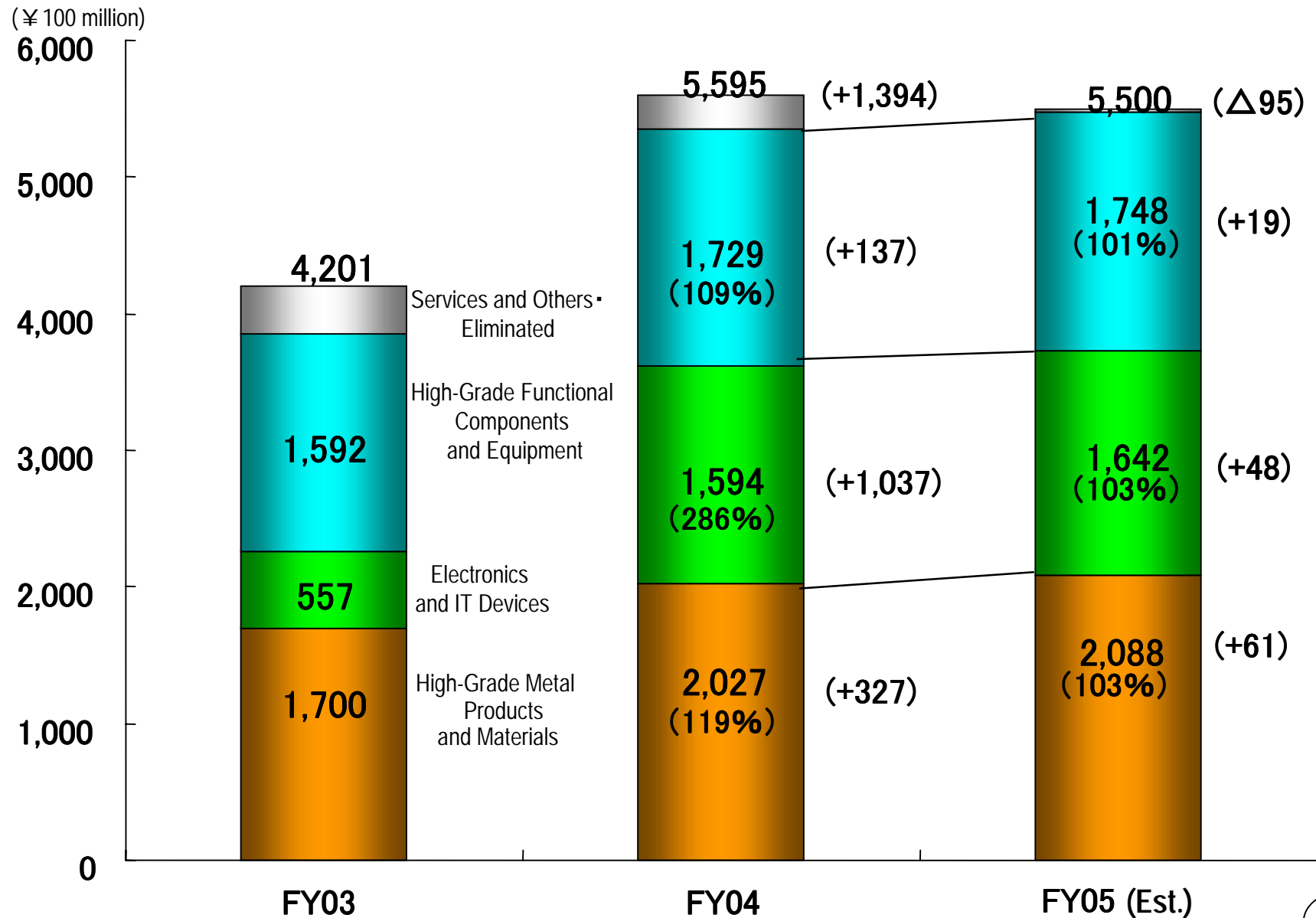
Other Manufacturing Company

Highlights

(¥ 100 million) (%:year-on-year)

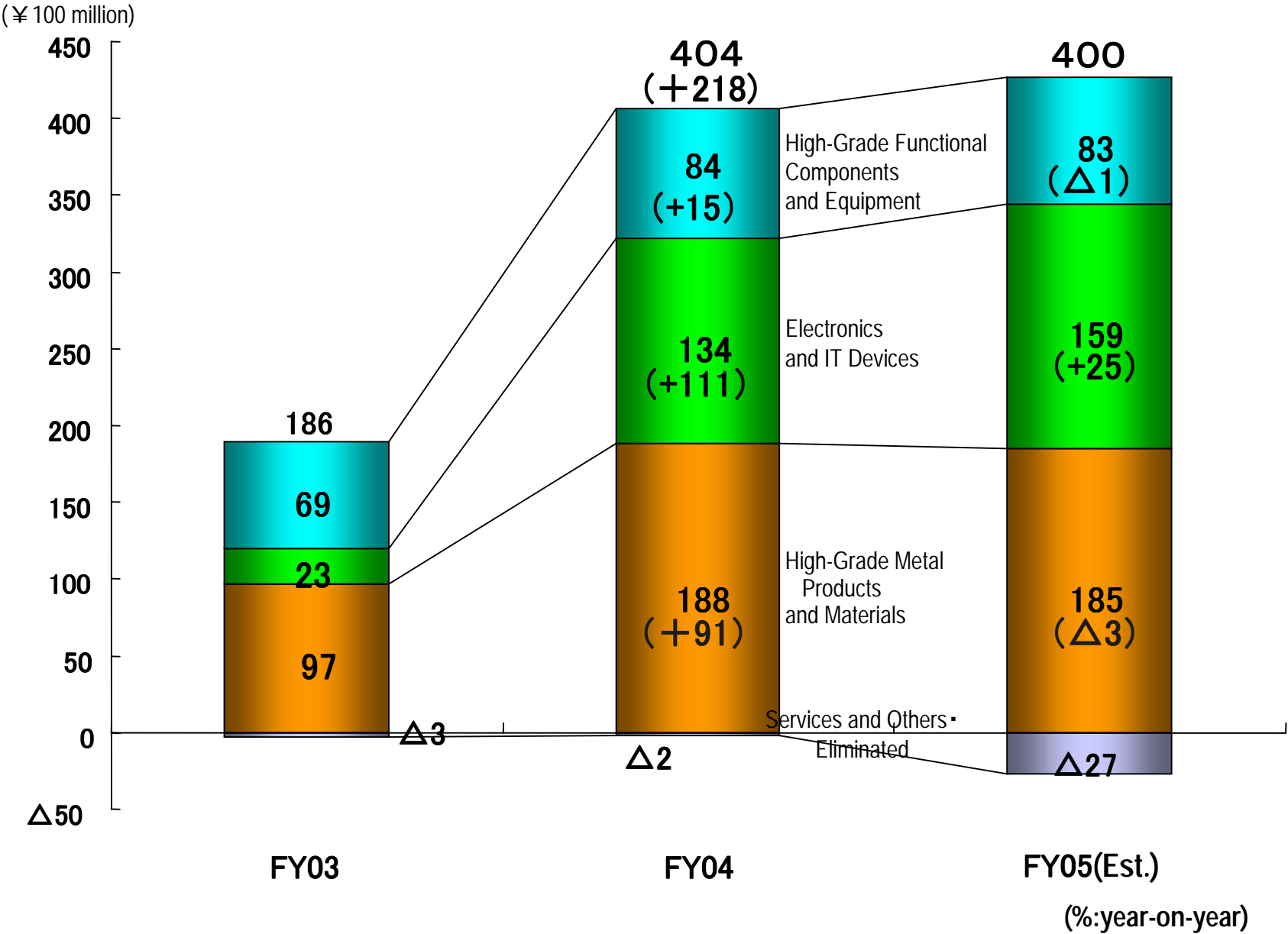
	FY03		FY04		FY05	
	FY03 1H	FY03	FY04 1H	FY04	FY05 1H (Est.)	FY05 (Est.)
Net Sales	1, 978	4, 201	2, 732 (138%)	5, 595 (133%)	2, 700 (99%)	5, 500 (98%)
Operating Income	55	186	193 (+138)	404 (+218)	190 (Δ3)	400 (Δ4)
Ordinary Income	38	152	173 (+135)	364 (+212)	178 (+5)	380 (+16)
Income before income tax	27	97	169 (+142)	295 (+198)	146 (Δ23)	337 (+42)
Net Income	1	34	82 (+81)	152 (+118)	66 (Δ16)	160 (+8)
ROE (%)	0.1%	2.2%	10.6%	9.7%	8.0%	9.5%
Capital investment	98	176	115 (+17)	256 (+80)	150 (+35)	300 (+44)
Depreciation costs	96	191	110 (+14)	229 (+38)	110 (±0)	235 (+6)
Research & Development Expenses	47	92	49 (+2)	99 (+7)	55 (+6)	110 (+11)

Consolidated Net Sales (By Segment)

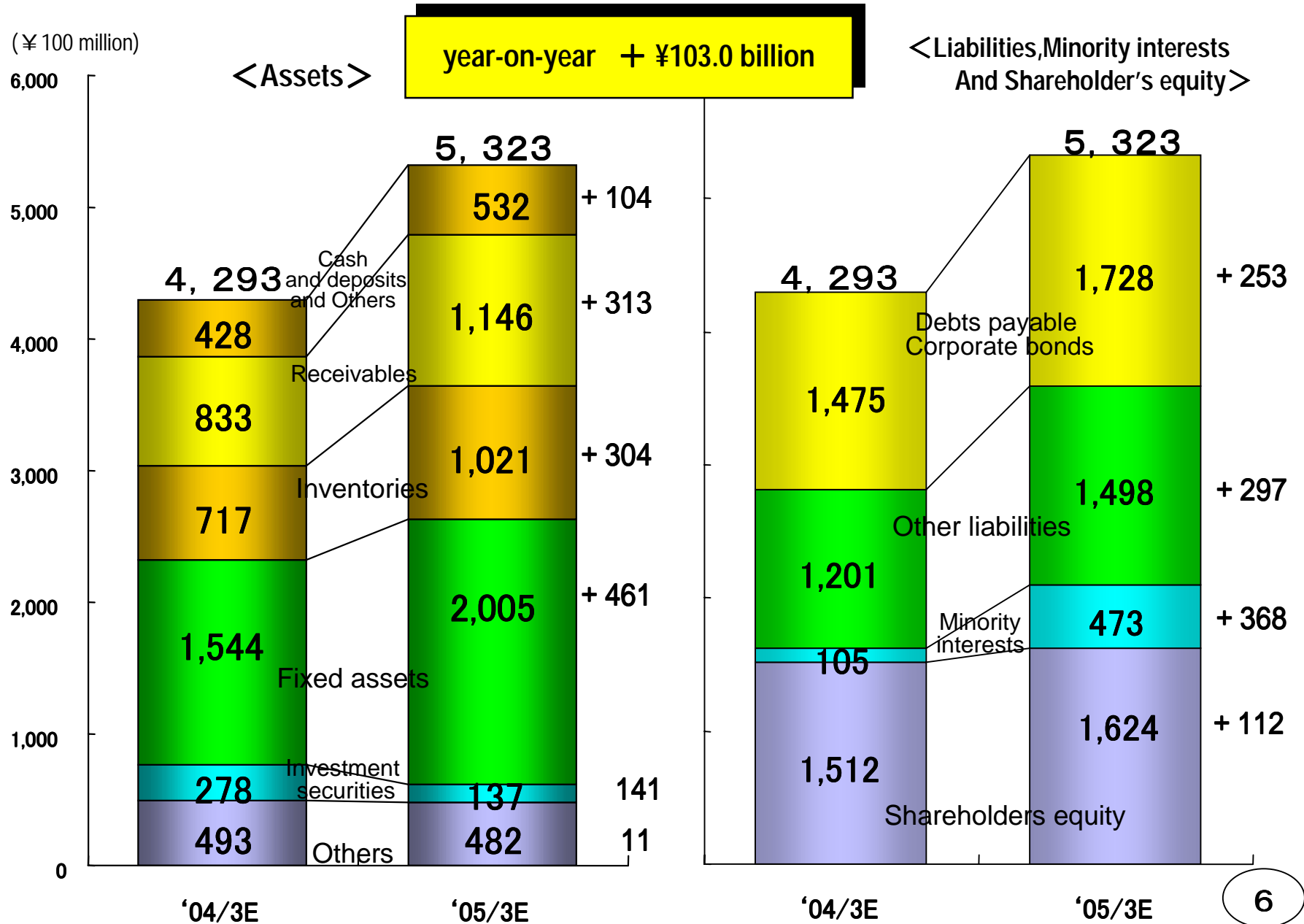


(%, ¥ 100 million : year-on-year)

Consolidated Operating Profit (By Segment)



Balance Sheet



Consolidated Cash Flows



(¥ 100 million)

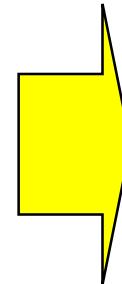
Item	FY03	FY04
Net income before tax adjustments	97	295
Depreciation costs	191	229
Capital investment	△180	△245
Others	△84	△99
Free cash flow	24	180
Reducing borrowings	△125	△120
Dividend payments	△19	△34
Others	△25	△25
Net increase in cash during Current Period	△145	1

2005 Medium-Term Management Plan Action Plan Progress Report (Numerical Targets)



(¥ 100 million)

	Fiscal 2005 Estimate	
	FY04	FY05
Net Sales	4, 700	5, 000
Operating Income	200	300
Net Income	50	100
ROE (%)	3%	6%
Total assets	5, 270	5, 250
Shareholder's equity	1, 600	1, 650
Capital investment	250	250
Depreciation costs	260	250
Research & Development Expenses	110	130
Employees	24, 100	24, 000



FY04	FY05 (Est.)
5, 595	5, 500
404	400
152	160
9. 7%	9. 5%
5, 323	5, 200
1, 624	1, 740
256	300
229	235
99	110
23, 282	22, 300

Access the results of our restructuring
and build a strong foothold for a robust corporate structure

◆ Reform the business portfolio

◆ Create new profit-earning opportunities through growth

- | | | |
|---|-------------|------------|
| 1) Overseas sales ratio | Target: 40% | ⇒ FY04 36% |
| 2) Non-consolidated new product sales ratio | Target: 30% | ⇒ FY04 23% |

◆ Respond to rapidly changing business environment

- | | | |
|--------------------------------|-------------|------------|
| Lower the break-even point 10% | Target: 83% | ⇒ FY04 88% |
|--------------------------------|-------------|------------|

◆ Strengthen the financial position for growth

Cash flow reform:

- | | | |
|----------------|----------------------|----------------|
| Free cash flow | FY05 target: ¥27.0bn | ⇒ FY04 ¥18.0bn |
|----------------|----------------------|----------------|



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