

March 26, 2002

Company Name: Hitachi Cable, Ltd.
Representative: Seiji Hara
President and Representative Director
Listings: First Section, Tokyo Stock Exchange, Inc.
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Notice Concerning the Transfer of Copper Wire Rod Production Business

Hitachi Cable, Ltd., hereby announces its agreement with Nippon Mining & Metal Co., Ltd., (headquartered in Minato-ku, Tokyo; President Kazuo Ohki, hereinafter Nippon Mining & Metal) to transfer Hitachi Cable's copper wire rod production business to Hitachi Wire Rod, Co., Ltd., (headquartered in Chiyoda-ku, Tokyo; President Seiji Hara, hereinafter Hitachi Wire Rod), in which both companies have a capital stake, as of July 1, 2002. Under the agreement, Hitachi Cable will also convert Hitachi Wire Rod, currently an affiliate by the equity method, into a subsidiary.

As part of its efforts to further rationalize wires and cables production at Hitachi Cable Group, Hitachi Cable is also planning to transfer its drawing business to Hitachi Wire Rod in the near future, making Hitachi Wire Rod responsible for all upstream process in our wires and cables production.

1. CONCERNING THE TRANSFER OF THE COPPER WIRE ROD BUSINESS

(1) Purpose of the transfer

The Group's copper wire rod business, which is upstream process of the wires and cables production, is currently divided between Hitachi Wire Rod, a joint venture with Nippon Mining & Metal, and Hitachi Cable's Toyoura Works. Both of these wire rod works have been seeing their business shrink in line with the fall in demand for wires and cables. The planned integration of their operations will rationalize and improve the efficiency of the business, and strengthen its operating base.

(2) Details of the transfer

1) Division to be transferred

Continuous casting/rolling facilities for copper wire rod at Hitachi Cable's Toyoura Works (4-10-1, Kawajiricho, Hitachi City, Ibaraki Prefecture)

2) Net sales and ordinary income in the most recent fiscal year of the business to be transferred

The entire output is consumed internally, by Hitachi Cable or its subsidiaries, for downstream process.

3) Items and value of assets to be transferred

The overall value amounts to ¥321 million, consisting of the Toyoura Works' production facilities for copper wire rod as well as related equipment and secondary facilities.

4) Valuation and method of settlement

After consultation with Hitachi Wire Rod, the transfer value and method of settlement will be decided with reference to market prices on the last day of June, 2002.

(3) Schedule of the transfer

July 1, 2002 (planned)

(4) Effect on corporate performance

No effect is expected on consolidated or non-consolidated results.

2.CONCERNING THE CONVERSION OF HITACHI WIRE ROD INTO A SUBSIDIARY

(1) Reasons for the change in status

Hitachi Wire Rod will take over all upstream process of wires and cables. This move is intended to prepare Hitachi Cable for a leadership role within the Group.

(2) Method of conversion

Transfer of shares

(3) Date for conversion

July 1, 2002 (planned)

(4) Effect on corporate performance

Performance forecast for Hitachi Wire Rod for fiscal 2003 and fiscal 2004:

	Fiscal 2003	Fiscal 2004
Net sales	¥1,053 million	¥1,506 million
Ordinary income	¥153 million	¥229 million

(Note) The forecast for fiscal 2003 refers to the period after the transfer of the copper wire rod business (July 2002-March 2003). Net sales figures are only roll margin (processing value), and do not include copper cost.

(5) Concerning the acquisition of shares

- 1) The shares are to be acquired from Nippon Metals & Mining and Nichiyo Engineering Corporation
- 2) Number of shares to be acquired: 294,000 (284,200 from Nippon Metals & Mining, and 9,800 from Nichiyo Engineering)
- 3) Value of shares to be transferred: to be computed based on total assets of Hitachi Wire Rod at the end of June, 2002
- 4) Shares to be acquired as a proportion of total shares outstanding: 30%
- 5) Shareholdings present and after the transfer:

	Present	After
Number of shares	490,000	784,000
Proportion of total	50%	80%

HITACHI WIRE ROD: Summary

Name: Hitachi Wire Rod, Co., Ltd.
Representative: Seiji Hara
President and Representative Director
Location: 1-6-1, Otemachi,
Chiyoda-ku, Tokyo
Date of Establishment: November 11, 1969
Primary businesses: Manufacturing and marketing of copper and copper alloy wire rod
Accounts settled: March 31
Employees: 30 (as of March 31, 2001)

Relations with Hitachi Cable:

Capital affiliations	Currently, 50%-owned by Hitachi Cable. As detailed above, in July 2002, Hitachi Cable plans to raise its stake by 30% to 80%.
Personnel	2 overlapping directors, 1 temporary director, 13 employee seconded
Business relations	Hitachi Cable buys copper wire rod output (¥213 million worth in the latter half of fiscal 2002).

Total assets: ¥1,838 million (as of September 30, 2001)

Results in fiscal 2001 and forecasts for fiscal 2002:

	Fiscal 2001	Fiscal 2002 (forecast)
Net sales	¥882 million	¥621 million
Ordinary income	¥88 million	- ¥89 million