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Notice of withdraw from copper tube business in Japan

Hitachi Cable, Ltd. has announced it will withdraw from activities related to the development, manufacture, and sales of copper tubes in Japan effective March 31, 2012.

1. Reasons for the withdrawal

The Hitachi Cable Group is moving forward with business structural reforms based on the Renewed Plan “BRIDGE” medium-term management plan.

While demand for copper tubes in Japan was strong in fiscal 2011 due to air-conditioner demand created by fierce heat, demand in fiscal 2012 after the summer fell dramatically. Additionally, Hitachi Cable has judged profits will grow increasingly difficult to secure in this area, due to various reasons, including demand shift overseas by a maturing domestic market and a steady climb in the value of the yen on international currency markets, coupled with intense competition driven by rising shares of import products. Given these conditions, the Group will withdraw from the development, manufacture, and sales of copper tubes in Japan.

2. Overview of business subject to withdrawal

(1) Details of copper tube business in Japan

- (i) Lines of business : Development, manufacture, and sales of copper tubes in Japan
(ii) Manufacturing facility : Hitachi Cable, Ltd. Tsuchiura Works
(iii) Address of manufacturing facility : 3550 Kidamaricho, Tsuchiura, Ibaraki Pref., Japan

(2) Net sales of the copper tube business in Japan

| | Copper tube business (a) | FY 2011 consolidated business performance (b) | Ratio (a/b) |
|-----------|--------------------------|---|-------------|
| Net sales | 17,763 million yen | 419,279 million yen | 4.2% |

(3) Handling of employees, assets, etc. belonging to the copper tube business in Japan

In addition to internal shifts, measures affecting employees involved in this segment include moving forward with seconding and transfers outside the company and early retirement and outplacement support systems as part of workforce rationalization now being planned for the Group in Japan. These measures will rationalize the workforce of the Hitachi Cable Group as a whole.

In addition, sale of certain assets involved in this segment to Sumitomo Light Metal Industries Group is under consideration. Plans call for future consultations with Sumitomo Light Metal Industries Group to determine specifics.

3. Schedule

The withdrawal from this business is scheduled to be completed by March 31, 2012.

4. Future forecasts

Withdrawing from the development, manufacture, and sales of copper tubes in Japan is expected to have minimal impact on business performance in the fiscal year ended March 2012. Forecasts of business performance for fiscal 2012 reflecting the effects of this matter is announced on today, in the news release “Notice of booking of extraordinary losses, difference between business performance forecasts and actual performance of consolidated cumulative second quarter, and notice of revisions to forecasts of full-year business performance”

Effects on business performance in fiscal 2013 and beyond will be closely monitored, in addition to the status of activities related to this withdrawal.

(Note)

Forecasts of business performance and other forward-looking statements in this document are based on information available to the Company at the time this document was prepared, as well as certain reasonable assumptions. Due to various factors, actual business performance and other results may depart significantly from these forecasts.