

May 9, 2013

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Listings: First Section, Tokyo Stock Exchange, Inc.
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**Notice Concerning the Transfer of Business
from Consolidated Subsidiary through Company Split**

Hitachi Cable, Ltd. (hereinafter, the “Company”) hereby announces that it has decided to assume the optical hardware and equipment business of its consolidated subsidiary, Advanced Cable Systems Corp. (headquarters: Hitachi City, Ibaraki Prefecture; President: Nobuhisa Nozoe; hereinafter, “Advanced Cable Systems”) by means of a company split (simplified absorption-type company split/summary form absorption-type company split; hereinafter, the “company split.”)

1. Objective of and background to the company split

In accordance with the announcements entitled “Notice of Dissolution of a Consolidated Subsidiary” as of February 27, 2013 and “Transfer of Business from Consolidated Subsidiary” as of April 8, 2013, Advanced Cable Systems has been gradually scaling down its production activities since the end of March 2013. Production of optical fiber cables manufactured and marketed by Advanced Cable Systems is scheduled to cease by the end of May 2013. Meanwhile, the Hitachi Cable Group anticipates that the optical hardware and equipment business of Advanced Cable Systems will serve as a core business within the Group’s own optical products business. It thus decided to transfer the business to the Company at the end of June 2013.

Under these circumstances, the Company and Advanced Cable Systems have determined that the transfer of the optical hardware and equipment business to the Company will take place by means of a company split (simplified absorption-type company split/summary form absorption-type company split).

2. Outline of the company split

(1) Schedule of the company split

Date of approval on the company split (Note 2)	May 9, 2013 (Hitachi Cable)
Resolution of the Board of Directors concerning approval of the company split	May 9, 2013 (Advanced Cable Systems)
Conclusion of agreement on the company split	May 9, 2013
Effective date of the company split	June 30, 2013 (Tentative)

(Note 1) The company split will be performed without obtaining approval for an absorption-type company split agreement at the shareholders' general meeting since it falls under the category of a summary form absorption-type company split set forth in Paragraph 1 of Article 784 of the Companies Act on the part of Advanced Cable Systems, which is the splitting company, and a simplified absorption-type company split set forth in Paragraph 3 of Article 796 of the Companies Act on the part of the Company, which is the successor company.

(Note 2) With regard to approval of the company split agreement, Hitachi Cable made a governing body decision through the approval of the President and Chief Executive Officer (May 9, 2013), who was delegated by the board of directors.

(2) Method of the company split

An absorption-type split in which Advanced Cable Systems will be the splitting company and the Company will be the successor company.

(3) Allotment of shares

Advanced Cable Systems will not be allotted any of the Company's shares or other form of consideration by the Company.

(4) Action to be taken at the time of the company split with regard to stock acquisition rights and convertible bonds

Not applicable.

(5) Amount of increase or decrease in capital stock as a result of the company split

There will be no increase or decrease in capital stock of the Company or Advanced Cable Systems as a result of the company split.

(6) Rights and obligations to be assumed by the successor company

The Company will assume the assets, liabilities, and other rights and obligations incidental to the optical hardware and equipment business of Advanced Cable Systems as of the effective date.

However, the assets, liabilities, and other rights and obligations excluded from the scope of the company split agreement including the labor contract between Advanced Cable Systems and the employees of Advanced Cable Systems engaging in the optical hardware and equipment business shall not be assumed by the Company.

(7) Expectation on performance capabilities regarding obligations

The Company considers the outlook for the performance of obligations that the Company shall bear to be of no cause for concern in the company split.

3. Outline of the parties involved in the company split

	Splitting company	Successor company
(1) Company name	Advanced Cable Systems Corp.	Hitachi Cable, Ltd.
(2) Headquarters location	5-1-1 Hidaka-cho, Hitachi City, Ibaraki Prefecture	1-22-16 Asakusabashi, Taito-ku, Tokyo, Japan
(3) Name and title of representative	Nobuhisa Nozoe, President	Hideaki Takahashi, President
(4) Lines of business	Development, design, manufacturing and sales of optical fiber cables, optical hardware and equipment	Manufacturing and sales of wire and cables, automotive components, IT devices, copper products, electronics materials, and others
(5) Capital	10 million yen	25,948 million yen
(6) Established	March 2002	April 1956
(7) Number of shares issued	33,836 shares	374,018,174 shares
(8) Fiscal year end	March 31	March 31
(9) Main shareholders and shareholding ratio (As of March 31, 2013)	Hitachi Cable, Ltd. (100%)	Hitachi, Ltd. (51.41%)
(10) Number of employees (As of March 31, 2013)	67 (non-consolidated)	11,168 (consolidated)
(11) Financial position as of March 31, 2013 and operating results for the previous fiscal year (ended March 31, 2013)		
	Splitting company (non-consolidated basis)	Successor company (consolidated basis)
Net assets	(2,159) million yen	77,585 million yen
Total assets	1,641 million yen	258,577 million yen
Net assets per share	(64,423.45) yen	205.53 yen
Net sales	6,275 million yen	361,963 million yen
Operating income	(547) million yen	4,314 million yen
Ordinary income	(558) million yen	7,305 million yen
Net income	(2,482) million yen	(9,164) million yen
Net income per share	(74,064.90) yen	(24.99) yen

4. Outline of the business to be transferred

(1) Details of the business to be transferred

Optical hardware and equipment business

(2) Business performance of the operating unit to be transferred (Actual results for the fiscal year ended March 31, 2013)

Net sales: 2.0 billion yen

(3) Items and amounts of assets to be transferred (Projection as of June 30, 2013)

- Assets: 0.3 billion yen
- Liabilities: 0.3 billion yen

5. Expected status following the company split

The company names, headquarters location, name and title of representatives, capital and fiscal year ends of the Company and Advanced Cable Systems will not be changed as a consequence of the company split, with the exception of the rights and obligations stated in 2(6) above, which shall be assumed by the Company.

6. Future outlook

The company split will have no impact on the consolidated operating results of the Company in the fiscal year ending March 31, 2014 since it is a company split to which the Company and its wholly owned consolidated subsidiary are parties.

This document is an English translation of a document prepared in Japanese. In the event of any discrepancies between the content of the Japanese and English documents, the content of the Japanese document shall take precedence.