

For Immediate Release

Hitachi Metals, Ltd. (Oct. 26, 2004)

Code:5486

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Stock Exchange where listed (section): Tokyo(First), Osaka(First)

Hitachi Metals Announces Revision to Fiscal 2004 Results Forecasts and Concerning Fiscal 2004 Dividends

Tokyo, Japan, Oct. 26, 2004—Hitachi Metals, Ltd. announces revisions to its projected consolidated and non-consolidated business results for the fiscal 2004 (April 1, 2004 to March 31, 2005) and concerning Fiscal 2004 dividends.

[] Revisions Consolidated Results Forecasts

At mid-term (April 1, 2004 to September 30, 2004)

		Millions of Yen		
		<u>Net Sales</u>	<u>Ordinary Income</u>	<u>Net Income</u>
Previous Forecast	(A)	<u>265,000</u>	<u>14,000</u>	<u>6,000</u>
Revised Forecast	(B)	<u>273,154</u>	<u>17,303</u>	<u>8,225</u>
Difference	(B-A)	<u>+8,154</u>	<u>+3,303</u>	<u>+2,225</u>
Change	((B-A)/A)	<u>+3%</u>	<u>+24%</u>	<u>+37%</u>
(Reference)				
Results of		<u>197,750</u>	<u>3,777</u>	<u>94</u>
at mid-term fiscal 2003				

For the term (April 1, 2004 to March 31, 2005)

		Millions of Yen		
		<u>Net Sales</u>	<u>Ordinary Income</u>	<u>Net Income</u>
Previous Forecast	(A)	<u>470,000</u>	<u>16,200</u>	<u>5,000</u>
Revised Forecast	(B)	<u>540,000</u>	<u>30,500</u>	<u>12,500</u>
Difference	(B-A)	<u>+70,000</u>	<u>+14,300</u>	<u>+7,500</u>
Change	((B-A)/A)	<u>+15%</u>	<u>+88%</u>	<u>+150%</u>
(Reference)				
Results of		<u>420,080</u>	<u>15,184</u>	<u>3,408</u>
at mid-term fiscal 2003				

[] Revisions to Non-Consolidated Results Forecasts

At mid-term (April 1, 2004 to September 30, 2004)

		Millions of Yen		
		<u>Net Sales</u>	<u>Ordinary Income</u>	<u>Net Income</u>
Previous Forecast	(A)	<u>119,000</u>	<u>5,000</u>	<u>2,000</u>
Revised Forecast	(B)	<u>122,095</u>	<u>6,766</u>	<u>2,364</u>
Difference	(B-A)	<u>+3,095</u>	<u>+1,766</u>	<u>+364</u>
Change	((B-A)/A)	<u>+3%</u>	<u>+35%</u>	<u>+18%</u>
(Reference)				
Results of		<u>119,136</u>	<u>1,587</u>	<u>933</u>
fiscal 2003				

For the term (April 1, 2004 to March 31, 2005)

		Millions of Yen		
		<u>Net Sales</u>	<u>Ordinary Income</u>	<u>Net Income</u>
Previous Forecast	(A)	<u>212,000</u>	<u>6,800</u>	<u>3,200</u>
Revised Forecast	(B)	<u>242,000</u>	<u>11,600</u>	<u>4,200</u>
Difference	(B-A)	<u>+30,000</u>	<u>+4,800</u>	<u>+1,000</u>
Change	((B-A)/A)	<u>+14%</u>	<u>+71%</u>	<u>+31%</u>
(Reference)				
Results of fiscal 2003		<u>247,484</u>	<u>6,876</u>	<u>2,983</u>

[] **Qualitative information regarding forecasts**

Notwithstanding the sharp increase in raw materials prices, operating results for the first half of fiscal 2004 (April 1, 2004 to September 30, 2004) exceeded initial forecasts reflecting increased electronics- and automobile-related demand. While the increase in raw materials prices is anticipated to continue, results for fiscal 2004, ending March 31, 2005, are also expected to surpass initial forecasts.

[] **Dividends for fiscal 2004 (April 1, 2004 to March 31, 2005)**

Hitachi Metals is yet to determine its cash dividend for the fiscal year ending March 31, 2005. The Company, however, is anticipating a cash dividend of ¥5.00 per share in line with revisions to its forecast interim dividend announced on September 16, 2004.

	Previous forecast (Announced on September 16, 2004)	Current revision	(For reference) Dividends in fiscal 2003
Interim dividends per share	¥5.00	¥5.00	¥1.50
Year-end dividends per share	Not declared	¥5.00	¥3.50
Full-Year dividends per share	Not declared	¥10.00	¥5.00

(Note) With the exception of figures representing actual past performance, all of the previously mentioned performance projection figures reflect certain assumptions made by the Company's management at the current point in time as well as the results of calculations based on certain suppositions. Please be aware that actual performance figures may differ from the projected figures due to mistaken assumptions, changing circumstances, and other factors.