

Business Portfolio

The Hitachi Metals Group specializes in the development of high-performance materials. Leveraging this expertise, we supply materials and products mainly to customers in the industrial infrastructure-, automotive-, and electronics-related segments.

Highlights of FY2016

Revenues
¥910.5 billion

Adjusted operating income*1
¥66.0 billion

Adjusted operating margin
7.2%

ROE*2
9.8%

ROA*3
6.4%

Overseas sales ratio
56%

EBIT
¥68.5 billion

R&D expenses
¥18.0 billion

Number of employees
28,754

Specialty Steel Company*5

Revenues
¥234.7 billion

Adjusted operating income
¥23.5 billion

Percentage of revenues by segment*4
25.8%

Magnetic Materials Company

Revenues
¥99.8 billion

Adjusted operating income
¥9.3 billion

Percentage of revenues by segment*4
11.0%

Functional Components Company*5

Revenues
¥333.5 billion

Adjusted operating income
¥17.5 billion

Percentage of revenues by segment*4
36.6%

Cable Materials Company

Revenues
¥241.4 billion

Adjusted operating income
¥14.7 billion

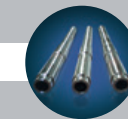
Percentage of revenues by segment*4
26.5%

Target segments

Industrial infrastructure-related

Automobile-related

Electronics-related



Engine shaft materials



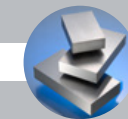
Rolls



Rolls for steel mills



Amorphous alloys Metglas®



Specialty steel

"SLD-MAGIC™" cold work tool steel



Sputtering target materials for LCD



Soft magnetic components and materials

High-frequency low-loss soft ferrite core

"NMF™" ferrite magnets



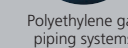
Magnets and applied products

"NEOMAX®" neodymium magnets

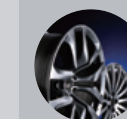
Casting components for automobiles



Piping components



Polyethylene gas piping systems



"SCUBA™" fashionable aluminum road wheels



Cast iron products



"HERCUNITE™" heat-resistant cast components



Wires and cables for rolling stock

Electric wires and cables

High-performance components



Harness for electric parking brake



Probe cables for ultrasound diagnostic equipment

*1 Adjusted operating income: Revenues – Cost of sales – Selling, general and administrative expenses

*2 ROE (return on equity) = Net income attributable to owners of the parent company ÷ Equity attributable to owners of the parent company (the average of the beginning and ending balances of the year) x 100

*3 ROA (return on assets) = Income before income taxes ÷ Total assets (the average of the beginning and ending balances of the year) x 100

*4 The percentage of revenues by segment is calculated based on sales to external customers.

*5 Effective April 1, 2017, the High-Grade Metals Company and the High-Grade Functional Components Company were renamed the Specialty Steel Company and the Functional Components Company, respectively. The new names are used in this report.