September 26, 2022

To all parties concerned,

Company Name: Hitachi Metals, Ltd.
Name of Representative: Mitsuaki Nishiyama
Chairperson, President, and CEO
(Code: 5486; Prime Market of the Tokyo Stock Exchange)
Contact: Izumi Tsubouchi
General Manager, Corporate Communications Dept.
(Phone: +81-50-3664-9519)

Company Name: K.K. BCJ-52
Name of Representative: Yuji Sugimoto
Representative Director

Announcement on Tender Offer by K.K. BCJ-52
for Common Shares of Hitachi Metals, Ltd. (Securities Code: 5486)

Hitachi Metals, Ltd. and K.K. BCJ-52 hereby announce that K.K. BCJ-52 has decided, as of today, to conduct the tender offer for the common shares of Hitachi Metals, Ltd. as specified in the attachment hereto.

End

This press release is released at the request to Hitachi Metals, Ltd. (the target company in the tender offer) from K.K. BCJ-52 (the tender offeror) pursuant to Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act.

(Attachment)
"Announcement on Commencement of Tender Offer for Shares of Hitachi Metals, Ltd. (Securities Code: 5486)" dated September 26, 2022

September 26, 2022

To Whom It May Concern

Company name: K.K. BCJ-52
Representative: Yuji Sugimoto,
Representative Director

Announcement on Commencement of Tender Offer
for Shares of Hitachi Metals, Ltd. (Securities Code: 5486)

K.K. BCJ-52 (the "Tender Offeror") hereby announces that it has decided on September 26, 2022 to acquire the common shares (the "Target Company Shares") of Hitachi Metals, Ltd. (listed on the Prime Market of the Tokyo Stock Exchange (the "Prime Market of the Tokyo Stock Exchange"); the "Target") through a tender offer (the "Tender Offer") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "Act").

1. Particulars of Tender Offer

(1) Name of the Target Company
Hitachi Metals, Ltd.

(2) Class of Shares to be Purchased
Common shares

(3) Tender Offer Period
From September 27, 2022 (Tue) through October 25, 2022 (Tue) (20 business days)

(4) Price of Shares to be Purchased
JPY 2,181 per common share

(5) Number of Shares to be Purchased

Number of shares to be purchased	199,332,669 (shares)
Minimum number of shares to be purchased	56,814,701 (shares)
Maximum number of shares to be purchased	- (shares)

(6) Tender Offer Agent
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
1-9-2, Otemachi, Chiyoda-ku, Tokyo
Please note that the Tender Offer Agent has selected its subagent to re-entrust a part of its affairs as follows:
au Kabucom Securities Co., Ltd. (Subagent)
1-3-2, Otemachi, Chiyoda-ku, Tokyo

(7) Commencement date of settlement
November 1 2022 (Tue)

2. **Overview of the Tender Offer**

The Tender Offeror is a wholly-owned subsidiary of G.K. BCJ-51 ("Parent Company of Tender Offeror"), holds all ordinary shares of the Target Company and is a stock company (*kabushiki kaisha*) established on April 23, 2021 with the primary purpose of supporting and managing the business activities of the Target Company. As of the date of this Press Release, the investment fund to which Bain Capital Private Equity, LP and its group (collectively, "Bain Capital") give investment advice indirectly holds all of the interests of the Parent Company of Tender Offeror. After the termination of the period of the Tender Offer and before the commencement of the settlement of the Tender Offer, the Parent Company of Tender Offeror plans to receive an investment (collectively, "Investment") from the investment fund to which Bain Capital gives investment advice, from the fund (including a stock company (*kabushiki kaisha*) established by Japan Industrial Partners, Inc. ("JIP") for the purose of acquiring and holding the shares of Parent Company of Tender Offeror, the same shall apply hereinafter) managed, operated and provided information by JIP, and from the fund (including a stock company (*kabushiki kaisha*) established by JIS Japan Industrial Solutions K.K. ("JIS") for the purpose of acquiring and holding the shares of Parent Company of Tender Offeror, the same shall apply hereinafter) operated by JIS. After Investment, the investment fund to which Bain Capital gives investment advice, the fund managed, operated and provided information by JIP, and the fund operated by JIS plan to indirectly hold all interests of the Parent Company of Tender Offeror, and each of their investment ratios will be 77%, 14%, and 9% (rounded to two decimal places.) respectively. As of the date of this Press Release, the Tender Offeror holds no Target Company Shares.

As announced in the Target Company's press release, the "Announcement of Opinion in Support of the Tender Offer by K.K. BCJ-52 for the Shares of Hitachi Metals, Ltd., and Recommendation of Tender" ("Target Company's Press Release") dated April 28, 2021, the Tender Offeror sets out the following conditions precedent to the commencement of the Tender Offer ("Conditions Precedent to the Tender Offer"): (i) the Target Company's special committee has given its positive opinions with regard to the supportive opinion of the Target Company's board of directors of the Tender Offer, and has not withdrawn those opinions; (ii) the Target Company's board of directors has adopted a resolution expressing its opinion in support of the Tender Offer, and that opinion has been published in accordance with laws and regulations and has not been withdrawn, and no other resolutions that are contradictory to that opinion have been adopted; (iii) no decision to limit or prohibit any portion of the Transaction (as defined below; the same shall apply hereinafter) has been rendered by domestic and international judicial/administrative agencies, and there is no specific likelihood thereof; (iv) all obligations to be fulfilled or complied with by Hitachi, Ltd. ("Hitachi") under the Non-Tender Agreement (as defined below; the same shall apply hereinafter) have been fulfilled and complied with in material respects (however, as long as the violation of such obligations does not cause any serious adverse effects, the obligations are deemed to have been fulfilled); (v) all the representations and warranties by Hitachi as set forth in the Non-Tender Agreement are true and accurate in material respects (however, as long as the violation of such representations and warranties does not cause any serious adverse effects, the representations and warranties are deemed to have been fulfilled); (vi) clearance has been obtained with regard to permits and licenses required under domestic and international competition laws and other regulations; (vii) confirmation has been obtained from the Target Company that there are no material facts (meaning those set forth in Article 166, Paragraph 2 of Act regarding the Target Company's operations that the Target Company has not disclosed (which has the meaning set forth in Article 166, Paragraph 4 of Act); (viii) the Memorandum of Understanding (the Memorandum of Understanding dated April 28, 2021 executed by the Target Company and the Tender Offeror in connection with the Tender Offer; the same shall apply hereinafter) has been validly executed and is existing between the Tender Offeror and the Target Company, and all of the Target Company's representations and warranties as set forth in the Memorandum of Understanding are true and accurate in material respects, and obligations to be fulfilled and complied with by the Target Company under the Memorandum of Understanding have been fulfilled and complied with in all material respects (however, as long as the violation of such obligations and such representations and warranties do not cause any serious adverse effects, they are deemed to have been fulfilled). The Tender Offeror had planned to acquire the Target Company Shares through the Tender Offer if the Conditions Precedent to the Tender Offer were satisfied (or waived by the Tender Offeror). As announced in the Target Company's Press Release, as of April 28, 2021, the Tender Offer was expected to commence in late November 2021. However, as the Target Company announced in its "Announcement Concerning Progress of the Tender Offer by K.K. BCJ-52 for the Shares of Hitachi Metals, Ltd. (Securities Code 5486)" dated

November 30, 2021, the procedures and measures under competition laws had not been completed in some countries as of November 30, 2021 because it required time to complete the procedures and measures under competition laws in some coutries. Subsequently, on September 20, 2022, the Tender Offeror confirmed that all of the Conditions Precedent to the Tender Offer had been satisfied or decided to waive them (Note 1), and therefore, on September 26, 2022, the Tender Offeror decided to commence the Tender Offer on September 27, 2022 as part of the transaction to make the Target Company a wholly-owned subsidiary of the Tender Offeror and other transactions incidental or related thereto (collectively, "Transaction") through Tender Offer and Share Consolidation (as defined in "3 Policy Regarding Reorganization, Etc., Following Completion of the Tender Offer (So-Called "Two-Step Acquisition")" below; the same shall apply hereinafter), and repurchase of all of the Target Company Shares held by Hitachi (228,221,199 shares, shareholding ratio (Note 2) of 53.38%) by the Target Company ("Share Repurchase") (the treasury share acquisition price for the Share Repurchase is hereinafter referred to as the "Share Repurchase Price").

The Transaction is intended to make the Target Company the Tender Offeror's wholly-owned subsidiary by each of (i) making Hitachi and the Tender Offeror the only shareholders of the Target Company through the Tender Offer, or through Share Consolidation that will be conducted by the Target Company in the event that the Tender Offeror fails to acquire in the Tender Offer all of the Target Company Shares (excluding the treasury shares held by the Target Company and Shares To Be Sold by Hitachi), (ii) for the purpose of securing funds to carry out the Share Repurchase and the amount available for distribution, (a) providing funds to the Target Company to be used as consideration for the Share Purchase ("Funding"), by way of capital contribution, loan, or underwriting of bonds (or any combination thereof) by the Tender Offeror, and (b) reducing the stated capital, capital reserves, and retained earnings reserves of the Target Company pursuant to Article 447, Paragraph 1 and Article 448, Paragraph 1 of Companies Act (Act No. 86 of 2005; as amended) ((Note 3) "Capital Reduction Etc.") (Note 4), and (iii) the Share Repurchase.

In connection with the Tender Offer, on April, 28 2021, the Tender Offeror concluded the non-application contract of the Tender Offer ("Non-Tender Agreement") with Hitachi, parent company of the Target Company, which includes provisions that Hitachi shall not apply to the Tender Offer with regard to Shares To Be Sold by Hitachi, and that Hitachi shall sell all the Shares To Be Sold by Hitachi in response to the Share Repurchase to be conducted by the Target Company after the Share Consolidation comes into effect.

(Note1) With respect to the permits and licenses necessary under competition laws and other regulatory laws in Japan and abroad (Japan, Brazil, China, the European Union, Serbia, South Korea, Taiwan, , and Vietnam) (excluding permits and licenses necessary under the Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949; as amended; "Foreign Exchange Act")), on September 7, 2022, all clearances have been obtained, and there are no other clearances that the Tender Offeor deems necessary with respect to the acquisition of the Target Company Shares under the Tender Offer. On September 20, 2022, the Tender Offeror filed another notification to the Minister of Finance and the competent minister for the business via the Bank of Japan in accordance with Article 27, Paragraph 1 of the Foreign Exchange Act, and the notification was accepted on the same date.

(Note2) "Shareholding ratio" refers to the ratio (rounded to two decimal places) against 427,553,868 shares, which is the total number of shares calculated by deducting the number of treasury shares held by the Target Company as of June 30, 2022 (1,350,484 shares) from the total number of issued shares of the Target Company as of the same date (428,904,352 shares) as stated in the "Results for the First Quarter Ending March 2023 (IFRS) (Consolidated)" ("Target Company Quarterly Report") announced on July 27, 2022 by the Target Company.

(Note3) The Capital Reduction Etc. means that the stated capital, capital reserves, and retained earnings reserves of the Target Company will be reduced, and the reduced portion will be transferred to the other capital surplus or retained earnings carried forward.

(Note4) For the purpose of securing funds to carry out the Share Repurchase, the Target Company may, in

addition to carrying out of the Funding, receive dividends from surplus or borrow money from a subsidiary (or any combination thereof) if the amount of funds at the time of carrying out of the Share Repurchase by the Target Company is less than the amount assumed as of the date of filing of this Press Release. However, a decision on the carrying out of the Share Repurchase will be made by taking into consideration the level of cash and deposits held by the Target Company, and the level of cash and deposits required for its business operations at the time of carrying out of the Share Repurchase and, as of the date of filing of this Press Release , the carrying out of such Share dividends and borrowings have not been determined yet.

In the Tender Offer, the Tender Offeror will not purchase any of the Tendered Shares (as defined below) in case the total number of shares, etc. that are offered for sale in response to the Tender Offer ("Tendered Shares") is less than the minimum number of shares to be purchased (56,814,701 shares; 13.29% of the number of issued shares after deducting the number of treasury shares). On the other hand, as the Tender Offeror aims to make the Target Company its wholly owned subsidiary, it does not set a limit for the maximum number of shares to be purchased. Thus, the Tender Offeror will purchase all of the Tendered Shares in case the total number of Tendered Shares is equal to or more than the minimum number of shares to be purchased (56,814,701 shares). The minimum number of shares to be purchased in the Tender Offer (56,814,701 shares) has been set as the number of shares (56,814,701 shares) remaining after subtracting the number of Shares To Be Sold by Hitachi (228,221,199 shares) from the number of shares resulting from multiplying (a) the number of voting rights of the Target Company (4,275,538) (relating to the total number of shares (427,553,868 shares) calculated by subtracting the number of treasury shares (1,350,484shares) held by the Target Company as of June 30, 2022 from the total number of issued shares (428,904,352 shares) as of the same date as set forth in the Target Company Quarterly Report) (b) by two thirds (2,850,359 rounded up to the nearest whole number), and (c) by 100. The reason for setting the minimum number of shares to be purchased is that the Tender Offeror aims to make the Target Company its wholly owned company through the Tender Offer, and the implementation of the Share Consolidation procedures described in "3 Policy Regarding Reorganization, Etc., Following Completion of the Tender Offer (So-Called "Two-Step Acquisition")" below requires a special resolution at the general meeting of shareholders stipulated in Article 309, Paragraph 2 of the Companies Act. Therefore, in order to ensure the implementation of the Transaction, the Tender Offeror and Hitachi will have to hold 66.67% or more of the total voting rights of all shareholders of the Target Company after the Tender Offer.

If the Tender Offeror is unable to acquire all of the Target Company Shares (excluding the treasury shares held by the Target Company and the Shares To Be Sold by Hitachi) through the Tender Offer, the Tender Offeror intends to request the Target Company to implement the Share Consolidation as part of the Transaction after the completion of the Tender Offer, as described in "3 Policy Regarding Reorganization, Etc., Following Completion of the Tender Offer (So-Called "Two-Step Acquisition")". See "3 Policy Regarding Reorganization, Etc., Following Completion of the Tender Offer (So-Called "Two-Step Acquisition")" below for more details of the Share Consolidation.

3. Policy Regarding Reorganization, Etc., Following Completion of the Tender Offer (So-Called "Two-Step Acquisition")

According to the Tender Offeror, as described in "2 Overview of the Tender Offer" above, the Tender Offeror plans to make the Target Company its wholly-owned subsidiary, and plans to request that the Target Company perform the following procedures after successful completion of the Tender Offer in the event the Tender Offeror fails to acquire all of the Target Company Shares (excluding treasury shares owned by the Target Company and Shares to Be Sold by Hitachi) in the Tender Offer.

Specifically, according to the Tender Offeror, after successful completion of the Tender Offer, it plans to request that the Target Company promptly hold an extraordinary general meeting of shareholders (the "Extraordinary Shareholders Meeting"), at which the proposals for discussion will include implementation of a consolidation of the Target Company Shares (the "Share Consolidation") and an amendment to the Articles of Incorporation abolishing the provisions on share

units, on the condition of the effectuation of the Share Consolidation, and the Tender Offeror and Hitachi plan to agree to the proposals at the Extraordinary Shareholders Meeting.

In the event that the proposal for the Share Consolidation is approved at the Extraordinary Shareholders Meeting, the Target Company's shareholders will own Target Company Shares in a number corresponding to the ratio of the Share Consolidation for which approval is to be obtained at the Extraordinary Shareholders Meeting on the date the Share Consolidation takes effect. Should fractions of less than one share arise in the number of shares as a result of the Share Consolidation, in accordance with the procedures set forth in Article 235 of the Companies Act and other relevant laws and regulations, the Target Company's shareholders holding said fractions will be paid money that they will obtain through a sale of Target Company Shares equivalent to the total of said fractions (however, if the total contains fractions of less than one share, such fractions will be rounded down; the same shall apply hereinafter) to the Target Company or the Tender Offeror. With regard to the sale price of the Target Company Shares equivalent to the total of said fractions, the Tender Offeror plans to request that the Target Company file a petition with a court seeking permission for a voluntary sale, after performing a calculation such that the amount of money to be paid to the Target Company's shareholders (excluding the Tender Offeror, the Target Company and Hitachi) not tendering in the Tender Offer as a result of such sale is the same as the Tender Offer Price multiplied by the number of Target Company Shares owned by each of the Target Company's shareholders. Furthermore, while the ratio of the Share Consolidation is undecided as of the date of filing of this Statement, the Tender Offeror plans to determine that the Target Company Shares owned by the Target Company's shareholders (excluding the Tender Offeror and Hitachi) not tendering in the Tender Offer become a fractional amount less than one share, in order for the Tender Offeror and Hitachi alone to own all Target Company Shares (excluding treasury shares owned by the Target Company).

If the Tender Offer is successfully completed, the Target Company plans to accept those requests from the Tender Offeror.

Furthermore, as a provision of the Companies Act intended to protect the rights of general shareholders in relation to Share Consolidations, Articles 182-4 and 182-5 of the Companies Act, as well as other relevant laws and regulations, stipulate that in the event a Share Consolidation is conducted, and should fractions of less than one share arise as a result of the Share Consolidation, the Target Company's shareholders may request that the Target Company purchase all of their Target Company Shares equivalent to fractions of less than one share at fair market price, and may file a petition with a court for determination of the price to be paid for the Target Company Shares. As detailed above, the Target Company Shares owned by the Target Company's shareholders (excluding the Tender Offeror, the Target Company and Hitachi) not tendering in the Tender Offer is planned to be fractions of less than one share upon the Share Consolidation, so any Target Company shareholders opposing the Share Consolidation may file a petition for determination of the price.

There is a possibility that time will be required to perform the procedures above, or that the method of performance will change due to the status of amendments to, enforcement of, and regulatory authorities' interpretations of relevant laws and regulations, among other matters. However, even in such a case, if the Tender Offer is successfully completed, ultimately, a cash payment is planned to be made to the Target Company's shareholders (excluding the Tender Offeror and Hitachi) not tendering in the Tender Offer, and in such case, the amount of cash to be paid to the Target Company's shareholders is planned to be the same amount as the Tender Offer Price multiplied by the number of Target Company Shares owned by the Target Company's shareholders. The specific procedures and the time for their implementation in the case above will be determined through consultations with the Tender Offeror and will be published by the Target Company promptly upon determination.

Furthermore, approval of the Tender Offer will not be sought from the Target Company's shareholders at the Extraordinary Shareholders Meeting. Additionally, the Target Company's shareholders are kindly asked to confirm the tax consequences of tendering in the Tender Offer and the procedures above with a tax specialist, at their own responsibility.

4. Expectations for Delisting and the Grounds Therefor

As the date of filing of this Press Release, the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange. Since the Tender Offeror has not set an upper limit on the number of shares to be purchased in the Tender Offer, depending on the results of the Tender Offer, the Target Company Shares will be delisted after going through the prescribed

procedures in accordance with the Tokyo Stock Exchange's delisting standards.

Also, according to the Tender Offeror, even if the aforementioned standards do not apply at the point in time when the Tender Offer is successfully completed, the Tender Offeror plans to conduct procedures for the purpose of acquiring all of the Target Company Shares (excluding treasury shares owned by the Target Company and Shares to Be Sold by Hitachi) as described in "3 Policy Regarding Reorganization, Etc., Following Completion of the Tender Offer (So-Called "Two-Step Acquisition")" above after successful completion of the Tender Offer, and in this case, the Target Company Shares will be delisted after going through the prescribed procedures in accordance with the Tokyo Stock Exchange's delisting standards.

After the Target Company Shares are delisted, they cannot be traded on the Tokyo Stock Exchange.

For further details of the Tender Offer, please refer to the Tender Offer Registration Statement regarding the Tender Offer to be filed on September 27, 2022 by the Tender Offeror

Disclaimers

The respective financial advisors of the Tender Offeror and the Target Company (including their affiliates) may, within their ordinary course of business, purchase, or take other actions toward such purchases of, the Target Company's shares for their own account or for the account of customers by means other than the Tender Offer before the commencement of, or during, the period of the Tender Offer to the extent permitted by the Japanese laws and regulations pertaining to financial instruments and exchange and other applicable laws and regulations, and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act 1934 (as amended). If information pertaining to such purchases is disclosed in Japan, said information will also be disclosed in the U.S.by equivalent means of disclosure.