

## **Hitachi Metals Achieves Complete Victory in Recent Decision of the U.S. Patent and Trademark Office**

**Tokyo, Japan, January 15, 2019–Hitachi Metals, Ltd. (TOKYO : 5486) (ISIN : JP3786200000) achieved, with respect to sintered NdFeB magnet patents, a complete victory in a recent decision of the Patent Trial and Appeal Board (the “Board”) of the U.S. Patent and Trademark Office.**

The Board’s recent Final Written Decision in an *inter partes* review proceeding concluded that petitioners, Hengdian Group DMEGC Magnetics Co., Ltd., Zhejiang Innuovo Magnetics Co., Ltd., and Zhejiang Dongyang East Magnetic Rare Earth Co., Ltd., failed to establish unpatentability of any challenged claim of U.S. Patent No. 6,461,565 (the “’565 patent”). This follows the Board’s earlier denial of institution of an *inter partes* review proceeding requested by the same petitioners against U.S. Patent No. 6,527,874 and marks complete victory for Hitachi Metals at the Board with respect to challenges by these petitioners.

Hitachi Metals notes that, with the victory in the challenge to the ’565 patent, all four of the patents asserted by Hitachi Metals in United States International Trade Commission Investigation No. 337-TA-855 remain in force, notwithstanding false assertions to the contrary made by certain unlicensed manufacturers. Hitachi Metals is aware of public assertions that incorrectly characterize the Hitachi Metals sintered NdFeB magnet patent portfolio, and ongoing media campaigns by unlicensed and unauthorized sintered NdFeB magnet manufacturers alleging that their manufacture of sintered NdFeB magnets does not implicate Hitachi Metals’ patents. Hitachi Metals rejects these assertions and conclusions and will pursue appropriate remedies to prevent infringement of its patents.

Hitachi Metals owns more than 600 patents worldwide, including over 100 in the United States alone, that are important for the safe, efficient, commercial manufacture of sintered NdFeB magnets. Hitachi Metals’ extensive patent portfolio, the result of substantial capital investment and research and development efforts devoted by Hitachi Metals, comprise both component and process patents spanning the entire manufacturing process for Hitachi Metals’ magnet products and represent the core of Hitachi Metals’ competitiveness in the sintered NdFeB magnet industry. Hitachi Metals intends to continue to vigorously defend and protect its sintered NdFeB magnet patent portfolio, and advance its views and positions on behalf of itself and its licensees and customers.

### **For inquiries from the press:**

Corporate Communications Office, Hitachi Metals, Ltd.  
hmcc.sa@hitachi-metals.com