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Metal Corporation
Representative: Representative Kosei
ve Director Shindo
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**Announcement regarding the Exercise of Put Option of SUMCO Class Stock and a
Schedule of Secondary Offering of a Portion of SUMCO Common Stock**

The Company hereby announces that, in accordance with the “Capital Increase and Restructuring Plan” (the “Plan”*), as SUMCO Corporation (Code Number 3436, Tokyo Stock Exchange First Section), an equity-method affiliate (“SUMCO”) of the Company, determined and publicly announced today, the Company will dispose of all of its class stock that it holds in SUMCO (exercise of put option, etc.) and executed the “Memorandum of Understanding Concerning the Treatment of Class Stock” (the “MOU”*) with SUMCO, Mitsubishi Materials Corporation (“MMC”) and Japan Industrial Solutions Fund I (“JIS”), which specifies the necessary matters for the implementation thereof. Accordingly, all class stock, other than common stock, of SUMCO that the Company holds is expected to be acquired by SUMCO pursuant to the Plan.

Furthermore, the Company hereby announces that it has resolved, at its board of directors’ meeting today, in the event that SUMCO conducts the capital increase through a public equity offering of its common stock, as SUMCO announced today, as part of the Plan, the Company plans to sell, as a selling shareholder, a portion of common stock that it holds in SUMCO in concurrence with the public equity offering thereof. There will be no change in the SUMCO’s status as an equity-method affiliate of the Company for the time being following the public equity offering and secondary offering above.

* Please see “Announcement regarding: Shelf Registration for the Issuance of New Shares and Schedule of Secondary Offering; Reduction in the Amount of Capital Reserve and Reduction in the Amount of Capital Stock and Capital Reserve Concurrently with the Issuance of New Shares; Acquisition of Treasury Stock (Class B Stock) (Acquisition of Treasury Stock Pursuant to Article 156 of the Companies Act)” publicly announced by SUMCO today, with respect to the details of SUMCO’s Plan and the MOU.

With the aim of a smooth implementation of the “Business Reorganization Plan”, as announced by SUMCO on February 2, 2012, the Company has offered support to SUMCO for the stabilization of its financial base and maintenance and improvement of its creditworthiness through the subscription of Class A Stock, and, as a shareholder of SUMCO, has observed SUMCO’s autonomous restructuring thereafter.

This time, SUMCO has accomplished the “Business Reorganization Plan,” and announced today, a formulation of its strategic roadmap for the new growth stage, its “New Medium-Term Management Strategy”. On the “New Medium-Term Management Strategy,” SUMCO sets forth its policy that SUMCO will strengthen its financial base and establish the ability to make disciplined capital expenditure, by establishing a basis for realizing flexible shareholder returns by exchanging a portion of its capital from class stock to common stock, which is more stable form of capital, and further increasing its capital. Following such policy of SUMCO’s executive management, the Company consulted with SUMCO, MMC and JIS, and executed the MOU today. Accordingly, all class stock, other than common stock, of SUMCO that the Company holds, is expected to be acquired by SUMCO pursuant to the Plan.

The Company believes that supporting SUMCO’s management policy that SUMCO will accomplish the Plan and promote the New Medium-Term Management Strategy by conducting the scheduled public equity offering, will contribute to the maintenance and improvement of SUMCO’s corporate value. In addition, the Company reached a decision that disposing of a portion of the common stock of SUMCO that the Company holds in concurrence with the public equity offering would also accord with group strategy and financial strategy of the Company; and, the Company consulted with SUMCO and MMC, and the Company and MMC have decided to sell a portion of their respective holdings of the common stock of SUMCO (the same number of shares are to be sold by both companies) through a secondary offering (the “Secondary Offering”).

The number of target shares under and the scale of the Secondary Offering will be determined based on factors including future market conditions and the extent of dilution of the shareholding ratio of the Company as a result of the public equity offering scheduled by SUMCO. The details regarding the time, method of secondary offering, terms and conditions of secondary offering, the aggregate selling price and other matters of the Secondary Offering have not been determined.

There will be no change in the SUMCO's status as an equity-method affiliate of the Company for the time being following the public equity offering and secondary offering above. As a shareholder of SUMCO, the Company will continue to observe SUMCO's achievement status with respect to the "New Medium-Term Management Strategy" as well as SUMCO's management policy.

The impact on the Company's consolidated results of operations as a result of the exercise of the put option of class stock of SUMCO and the Secondary Offering has not yet been determined.

For more information, please contact:

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This material is prepared for the purpose of continuous disclosure to general shareholders and investors of the Exercise of Put Option of SUMCO Class Stock and a Schedule of Secondary Offering of a Portion of SUMCO Common Stock, etc., and does not constitute an offer or solicitation of securities in any state or jurisdiction, including Japan. Estimates, expectations, forecasts, and other future information set out in this material have been prepared based on the information that is available for the Company as of today and on certain assumptions and qualifications, and the actual conditions, etc. might be substantially different from such future information contained in the material due to risk factors including domestic and global economic conditions and foreign exchanges.

This material does not constitute an offer of securities for sale in the United States. Securities of SUMCO may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended (the "Securities Act"). If any public offering of securities is made in the United States, it will be made by means of an English language prospectus prepared in accordance with the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from SUMCO or the seller of the securities and that will contain detailed information about SUMCO and its management, as well as financial statements. There will be no public offering of securities of SUMCO in the United States in connection with the above capital restructuring plan.