

September 4, 2013
Nippon Steel & Sumitomo Metal Corporation
Toho Titanium Co., Ltd.

Establishment of more efficient and capable production process of
High-Quality-Titanium-Alloys for Aerospace

Today, Nippon Steel & Sumitomo Metal Corporation (Chairman & CEO: Shoji Muneoka, “NSSMC”) and Toho Titanium Co., Ltd. (President: Kiyonobu Sugiuchi, “TOHO TITANIUM”), with the objective of responding to the growing demand for titanium-alloy products for aerospace, have agreed to establish and operate a joint venture (the “New Company”) to produce titanium ingots (intermediate products), on a commission basis, and have entered into a joint venture agreement.

For the production of titanium-alloy ingots for aerospace applications, a most appropriate setup is considered to be a combination of two kinds of furnaces, one being the EB (electron beam) furnace, which is very advantageous in raw materials selection, permitting the use of a great variety of scrap, and the other being the VAR (vacuum arc remelting) furnace capable of assuring homogeneity of chemical compositions.

The New Company will succeed to the business related to the one EB furnace, now being operated by NSSMC at Naoetsu Works, and will complete its melting setup by purchasing the two VAR furnaces now in possession of OSAKA Titanium Technologies Co., Ltd. and relocating them to the New Company. Further, by operating the New Company as a joint venture between NSSMC and TOHO TITANIUM, and by thus utilizing the advanced titanium melting technologies of TOHO TITANIUM, we are going to structure a globally capable and competitive production base.

Reference

Outline of the New Company (provisional)

Name: NIPPON STEEL & SUMIKIN NAOETSU
TITANIUM CO., LTD.

Location: Joetsu City, Niigata Prefecture (in the
compound of Naoetsu Works, NSSMC)

Representative: Takashi Tanioku, Representative Director
and President

Business: Melting & Production of titanium ingots

Capital composition: NSSMC 66%, TOHO TITANIUM 34%
(subscription tentatively scheduled for
April 2014)

Capital: ¥200 million (initially ¥20 million at the
time of establishment)

Main equipment: One EB furnace and two VAR furnaces

Establishment: Middle of September 2013 (initially to start
as a 100% subsidiary of NSSMC at the time
of establishment)

Start of production: April 2014 (provisional)

For inquiries, please contact:

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