

Company name: Sumitomo Metal Industries, Ltd.
 Code number: 5405
 Contact: Toshifumi Matsui, Manager,
 Public Relations Group
 (Phone +81-3-4416-6115)

Notice Regarding Financial Forecasts

The following information was originally prepared and published by the Company in Japanese. This English translation is being provided for your convenience only. To the extent there is any discrepancy between the English translation and the original Japanese version, please refer to the Japanese version. The financial information was prepared in accordance with generally accepted accounting principles in Japan.

Sumitomo Metal Industries, Ltd. (the “Company”) makes the following notification regarding the financial forecasts for the 1st half of FY2010.

(Figures less than a million yen are truncated.)

1. Financial Forecasts for the 1st Half of FY2010 (April 1, 2010 – September 30, 2010)

	Net sales	Operating income/(loss)	Ordinary income/(loss)	Net income/(loss)	Net income/(loss) per share
	Million yen	Million yen	Million yen	Million yen	Yen
Results for the previous fiscal year (1st half of FY2009) (A)	598,739	(28,061)	(47,614)	(46,676)	(10.07)
Forecasts (B)□	720,000	30,000	25,000	25,000	5.39
Difference (B-A)	121,260	58,061	72,614	71,676	
Rate of change (%)□	20.3	-	-	-	

2. Outline of Forecasts

The Company forecasts a financial performance for the 1st half of FY2010 that will be more profitable compared with the corresponding period of the previous fiscal year, as demand for steel products during the period, mainly from the automotive sector and other manufacturers, is expected to be firm.

The forecasts or targets included in this document reflect the company's current beliefs and are based upon information currently available to it. Forward-looking statements appear in a number of places in this document and include statements regarding our current intent, belief, targets or expectations or the current intent, belief, targets or expectations of our management. In many, but not all cases, we used words such as "aim," "anticipate," "believe," "estimate," "expect," "hope," "intend," "may," "plan," "predict," "probability," "risk," "should," "will," and similar expressions, as they relate to us or our management, to identify forward-looking statements. Forward-looking statements are not guarantees of future performance. These statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual results may vary materially from those which are anticipated, aimed at, believed, estimated, expected, intended or planned. We identify in our *shihannki hokokusho* and financial summaries important factors that could cause these differences. Sumitomo Metals Industries, Ltd. is under no obligation, and disclaims any obligation, to update its forward-looking statements whether as a result of new information, future events or otherwise, or to advise any changes in the assumptions and factors on which they are based.