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Notice Regarding Revised Forecasts for FY2010

The following information was originally prepared and published by Sumitomo Metal Industries, Ltd. (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.

Due to recent business developments, the Company has revised its forecast from the one previously announced on October 28, 2010.

(Figures less than a million yen are truncated.)

Revised forecasts (Consolidated basis) for the fiscal year ending March 31, 2011 (April 1, 2010 - March 31, 2011)

	Net sales	Operating income/ (losses)	Ordinary income/ (losses)	Net Income/ (losses)	Net income/ (losses) per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	1,500,000	80,000	70,000	60,000	12.94
Revised forecasts (B)	1,440,000	55,000	30,000	25,000	5.39
Difference (B-A)	-60,000	-25,000	-40,000	-35,000	
Rate of change (%)	-4.0	-31.3	-57.1	-58.3	
(Reference) Results for the previous fiscal year	1,285,845	(928)	(36,634)	(49,772)	(10.74)

(2) Reasons for the revision

The business environment for the entire fiscal year has turned out to be more difficult than at the time of the revised forecast announcement on October 28, 2010, due to deteriorated profitability caused by temporary factors such as the implementation of restructuring measures at the Sumitomo Metals Group's equity-method affiliated company and a production instability at one of the blast furnaces, and a delayed recovery in the sales environment. Even though the Group will continue to make efforts on cost reduction and profitability improvement, we have revised our financial forecasts for the entire consolidated fiscal year as shown above.

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. 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.