

September 22, 2011

Sumitomo Metal Industries, Ltd.
Sumitomo Metals (Kokura), Ltd.
Sumitomo Metals (Naoetsu), Ltd.

Sumitomo Metals Merges with Sumitomo Metals (Kokura) and Sumitomo Metals (Naoetsu)

Today, Sumitomo Metal Industries Ltd. (Sumitomo Metals), Sumitomo Metals (Kokura), Ltd. (Sumitomo Metals (Kokura)), and Sumitomo Metals (Naoetsu), Ltd. (Sumitomo Metals (Naoetsu)) signed a merger agreement, with Sumitomo Metals continuing as the surviving company.

Sumitomo Metals (Kokura) and Sumitomo Metals (Naoetsu) are wholly owned subsidiaries of Sumitomo Metals.

1. Merger details

(1) Purpose of merger

Sumitomo Metals (Kokura) and Sumitomo Metals (Naoetsu) have functioned as integrated parts of Sumitomo Metals' steel business: the former is in a business of specialty bars and wire rods, and the latter, in the titanium and stainless steel business. Through the merger, the operational system will be more unified and management efficiency will be further improved.

(2) Time of merger

January 1, 2012

(3) Post-merger organization

Business of Sumitomo Metals (Kokura) will be transferred to the Bar and Wire Rod Company^{*1}, while business of Sumitomo Metals (Naoetsu) will be included in the Stainless Steel and Titanium Division^{*2}.

^{*1}Newly established

^{*2}The present Titanium Division will be reorganized and renamed to the Stainless Steel and Titanium Division.

2. Outline of companies (as of March 31, 2011)

(1) Sumitomo Metals

Line of Business	Production and sales of steel products(sheets and plates, construction materials, pipes and tubes, railway, automotive and machinery parts, etc.) and others
Head office address	5-33, Kitahama 4-chome, Chuo-ku, Osaka
Representative	Hiroshi Tomono, Representative Director and President
Net sales	907.7 billion yen (nonconsolidated) 1,402.4 billion yen (consolidated)
Number of employees	7,104 (nonconsolidated) 22,597 (consolidated)
Major shareholders and shareholding ratios	Sumitomo Corporation: 9.54% Nippon Steel Corporation: 9.40% Japan Trustee Services Bank, Ltd. (account in trust) 3.53%

(2) Sumitomo Metals (Kokura)

Line of Business	Production and sales of specialty steel bars and wire rods
Head office address	1 Konomimachi, Kokura-kita-ku, Kita-kyushu City, Fukuoka Prefecture
Representative	Yoshimitsu Kato, President
Net sales	134.8 billion yen
Number of employees	1,136
Major shareholders and shareholding ratios	Sumitomo Metal Industries, Ltd.: 100.00%

(3) Sumitomo Metals (Naoetsu)

Line of Business	Production and sales of stainless steel precision rolling products and stainless steel shaped products, and titanium
Head office address	12-1 Minato-cho 2-chome, Joetsu City, Niigata Prefecture
Representative	Kanji Kasahara, President
Net sales	25.2 billion yen
Number of employees	261
Major shareholders and shareholding ratios	Sumitomo Metal Industries, Ltd.: 100.00%