

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.

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Notice Regarding Revised Financial Forecasts and Dividends Forecasts for FY2011

Sumitomo Metal Industries, Ltd. (the “Company”) makes the following notification regarding the differences between the financial forecasts previously announced on October 31, 2011.

Also please be notified that on February 2, 2012, the Board of Directors of the Company has decided to revise its dividends forecasts for FY2011 (ending March 31, 2012).

1. Revised Financial Forecasts

(1) Revised financial forecasts for the entire fiscal year ending March 31, 2012 (April 1, 2011 - March 31, 2012) - Consolidated basis

| | Net sales | Operating income/ (losses) | Ordinary income | Net income/ (losses) | Net income/ (losses) per share |
|---|-------------|----------------------------|-----------------|----------------------|--------------------------------|
| | Million yen | Million yen | Million yen | Million yen | Yen |
| Previous forecasts (A) | 1,520,000 | 90,000 | 100,000 | 0 | 0.00 |
| Revised forecasts (B) | 1,480,000 | 70,000 | 55,000 | (55,000) | (11.87) |
| Difference (B-A) | -40,000 | -20,000 | -45,000 | -55,000 | |
| Rate of change (%) | -2.6 | -22.2 | -45.0 | - | |
| (Reference) Results for the previous fiscal year (FY2010) | 1,402,454 | 56,301 | 34,049 | (7,144) | (1.54) |

(2) Reasons for the revision of the financial forecasts for the entire fiscal year ending March 31, 2012

Compared with the financial forecasts previously announced on October 31, 2011, our profit is expected to deteriorate due to a decrease in earnings of equity-method affiliates and other factors. Also reflecting evaluation loss on investment securities and other factors, we have revised our financial forecasts as above.

2. Revised Dividends Forecasts

(1) Revised Dividends Forecasts for FY2011

| (Record Date) | Dividends per share | | | | |
|--------------------------|-------------------------|--------------------------|-------------------------|-------------|-------------|
| | End of First Quarter | End of Second Quarter | End of Third Quarter | Year-end | Total |
| Previous forecasts* | Yen - | Yen - | Yen - | Yen 2.50 | Yen 3.50 |
| Revised forecasts | - | - | - | 1.00 | 2.00 |
| Dividends paid FY2011 | - | 1.00 | - | | |
| Dividends paid FY2010 | - | 2.50 | - | 1.00 | 3.50 |

*Announced on October 31, 2011

(2) Reasons for the revision of the dividends forecasts

We have revised our forecasts for the year-end dividends due to negatively revised ordinary income forecasts for the entire fiscal year, as well as expected net losses caused by posting extraordinary losses.

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.