

October 20, 2014

Press Release

Sumitomo Metal Mining Co., Ltd.

**Increased Production of Cathode Material (Lithium Nickel Oxide)
for Rechargeable Batteries**

Sumitomo Metal Mining Co., Ltd. (“SMM”, Headquarters: Minato-ku, Tokyo, President and Representative Director: Yoshiaki Nakazato) has decided to make investments to increase the capacity of its production facilities for lithium nickel oxide, a cathode material for rechargeable batteries, in response to the growth of demand for such batteries in automobiles.

The world automobile market is seeing a fast-paced increase in sales of energy-saving vehicles such as electric vehicles and hybrid vehicles. Under the circumstances, the further diffusion of EVs requires the development of models capable of operation for longer distances without recharging. The development of high-performance rechargeable batteries is indispensable to this end.

SMM succeeded in developing high-performance lithium nickel oxide, which is one of the cathode materials for rechargeable batteries, in work undertaken together with Panasonic Corporation, and has been supplying the latter with this material. The cylindrical lithium-ion rechargeable batteries manufactured by Panasonic with this lithium nickel oxide have been adopted for Model S, a premium four-door sedan manufactured and sold by Tesla Motors, Inc., a U.S. manufacturer of EVs. The demand for these batteries is anticipated to expand further along with developments.

To cope with this expansion of demand for lithium nickel oxide, SMM decided to increase the capacity of its production facilities for this material at its Isoura Plant in Niihama City, Ehime Prefecture and other locations. The capacity increase is slated for completion in December 2015 at an investment totaling about 15 billion yen.

As a result of this increase SMM’s monthly production capacity for lithium nickel oxide will rise from the current 850 tons to 1,850 tons.

SMM is striving for a further heightening of performance and stable supply of cathode materials for rechargeable batteries by drawing on the strengths deriving from its handling of all steps involved, from nickel ore smelting to advanced materials manufacturing.

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