Press Release

Sumitomo Metal Mining Co., Ltd.

Increased Production of Nickel Sulfate at Harima Smelter

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 nickel sulfate at Harima Smelter (located in Harima-cho, Kako-gun, Hyogo).

SMM has been producing 25,000 tons of nickel sulfate per year at its Niihama Nickel Refinery (located in Niihama-city, Ehime prefecture), as material for the cathodes of rechargeable batteries and for general plating. In response to the rise in demand associated with rechargeable batteries for automobiles, it constructed additional production facilities with an annual capacity of 20,000 tons at Harima Smelter. These new facilities commenced production in January 2014.

In response to the further expansion of the demand for electric vehicles, SMM has decided to increase production of lithium nickel oxide as a cathode material for rechargeable batteries used in these vehicles (for details, please see the release dated today and titled "Increased Production of Cathode Material (Lithium Nickel Oxide) for Rechargeable Batteries"). In this connection, it also decided to make investments to increase the capacity of its facilities at Harima Smelter for production of nickel sulfate, which is the raw material for production of nickel lithium oxide. This investment will total about 5 billion yen, and the construction for the capacity increase is scheduled to be completed in October 2016.

This step will increase the nickel sulfate production capacity of Harima Smelter by 25,000 tons to 45,000 tons per year and, together with that at the nickel plant, raise SMM's total production capacity for nickel sulfate to 70,000 tons per year.

SMM is striving for a stable supply of battery material by drawing on the strengths deriving from its handling of all steps involved, from nickel ore smelting to advanced materials manufacturing.

Address inquiries concerning this Press Release to:

Sumitomo Metal Mining Co., Ltd. Masashi Takahashi, Public Relations & Investor Relations Department TEL: +81-3-3436-7705 FAX: +81-3-3434-2215