

December 18, 2014

Press Release

Sumitomo Metal Mining Co., Ltd.

Increase in Production Capacity for Lithium Tantalate & Lithium Niobate Substrates

Sumitomo Metal Mining Co., Ltd. (SMM) has decided to increase the capacity of its production facilities for lithium tantalate substrates and lithium niobate substrates (hereinafter referred to as “LT/LN substrates”), which are used in chips for Surface Acoustic Wave (SAW) filters for information and communications terminals.

SAW filters are devices that read electric signals in specified frequency bands, and are built into information and communications terminals. In recent years, the demand for them has been rapidly increasing. This increase derives not only from the fast-paced growth of the market for smartphones, tablet terminals, and other such products but also an steep rise in the number of SAW filters used per terminal, because of the ever-high levels of communications speed and capacity.

SMM produces LT/LN substrates for SAW filter chips at its wholly-owned subsidiary Sumiko Kunitomi Denshi Co., Ltd., located in Hokkaido. It has been manufacturing and selling LT/LN substrates for about 30 years. Backed by production technology covering all steps from single crystal growth to wafer processing, its substrates have been given high ratings by customers for the stability of the crystal structures and sophisticated processing of the wafers.

Anticipating a further expansion in the market for SAW filters over the coming years, SMM decided to make investments to bolster its production capacity for LT/LN substrates. More specifically, it is planning to invest a total of about 3.5 billion yen for this purpose. The construction for this reinforced capacity is slated to begin in December 2014 and to be completed in September 2016. This investment is going to increase SMM's monthly production capacity for LT/LN substrates from the current level of 120,000 pieces to that of 210,000 pieces.

SMM is committed to continued supply of high-quality products on a steady basis by making the most of its advanced technical expertise.

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