

## News Release

December 12, 2008

### **Change in Capitalization of Holding Company in the Netherlands**

Regarding the "Establishment of the Holding Company in the Netherlands" announced in the news release dated July 22, 2008, we have reevaluated the amount of capitalization, and, after a delay from the originally planned date, have set a new date for establishing the company, as noted below.

#### 1. Description of Changes

|                 | (Original Plan)                                  | (After Revision) |
|-----------------|--|------------------|
| Capitalization: | Euro amount roughly equivalent to 22 billion yen | 18,000 euros     |
| Establishment:  | October, 2008                                    | January, 2009    |

#### 2. Reason for Change

The new company, SMM Holland B.V., will be formed through an investment in kind using SMM's holdings in SMM Cerro Verde Netherlands B.V. and SUMIC Nickel Netherlands B.V. Originally, an amount equivalent to the entire book value of the shares in those two companies was to be applied to the capitalization of the new company, but with the process of preparing the required applications having taken considerably more time than originally expected, and with more time expected to be needed for their completion, we have decided to set the capitalization to 18,000 euros, the minimum amount required--booking the difference between 18,000 euros and the book value of the shares used for the investment in kind as capital reserves--and to establish the company as quickly as possible.

For the reasons noted above, establishment of the company is expected to take place in January.

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