

September 30, 2016

Company: Sumitomo Metal Mining Co., Ltd.
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(Code No. 5713, First Section of the Tokyo Stock Exchange)
Contact: Hideki Motoki, Deputy General Manager, PR & IR Dept.
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Company: Hitachi Metals, Ltd.
Representative: Hideaki Takahashi, President and CEO
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De-integration of Lead Frame and Copper Product Businesses

Sumitomo Metal Mining Co., Ltd. (SMM, Headquarters: Minato-ku, Tokyo, President and Representative Director: Yoshiaki Nakazato) and Hitachi Metals, Ltd. (Hitachi Metals, Headquarters: Minato-ku, Tokyo, President and CEO: Hideaki Takahashi) have reached an agreement for the de-integration of the lead frame and copper product businesses.

1. Overview of Businesses

(1) Lead Frame Business

Hitachi Metals will transfer its 49% interest in SH Materials Co., Ltd. (SH Materials) to SMM in full, and SH Materials will become a wholly owned subsidiary of SMM.

(2) Copper Product Business

SMM will transfer its 50% interest in SH Copper Products Co., Ltd. (SH Copper) to Hitachi Metals in full, and SH Copper will become a wholly owned subsidiary of Hitachi Metals.

2. Schedule

Share transfer/acquisition: Early January 2017 (tentative)

3. Overview of Affected Companies

(1) SH Materials

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|--------------------------|--|
| (1) Corporate name | SH Materials Co., Ltd. |
| (2) Headquarters | 5-11-3 Shimbashi, Minato-ku, Tokyo |
| (3) Representative | Naoka Inoue, President and Representative Director |
| (4) Business scope | Manufacture and sale of lead frames and related products |
| (5) Capital | ¥1 billion (51% SMM, 49% Hitachi Metals) |
| (6) Establishment | January 7, 2013 |
| (7) Launch of operations | July 1, 2013 |

(2) SH Copper

| | |
|--------------------------|---|
| (1) Corporate name | SH Copper Products Co., Ltd. |
| (2) Headquarters | 3550 Kidamari, Tsuchiura, Ibaraki |
| (3) Representative | Fumio Kanaya, President and Representative Director |
| (4) Business scope | Manufacture and sale of copper products (copper strips, copper products for electric applications, and processed copper products) |
| (5) Capital | ¥1 billion (50% Hitachi Metals, 50% SMM) |
| (6) Establishment | January 4, 2013 |
| (7) Launch of operations | July 1, 2013 |

4. Impact on Business Results

The impact of this matter on consolidated results for the fiscal year ending March 2017 will be minor for both SMM and Hitachi Metals.

Address inquiries concerning this Press Release to:

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