

January 9, 2007

Sumitomo Metal Mining Co., Ltd.  
Sumitomo Corporation

Expansion at Cerro Verde Mine in Peru Copper Concentrate Production

Sumitomo Metal Mining Co., Ltd. (SMM) and Sumitomo Corporation (SC) (SMM and SC collectively referred to herein as "Sumitomo") jointly announced today the commencement of the production of copper concentrate from the Primary Sulfide Project at Cerro Verde mine in Arequipa, Peru. The approximately 9,500 dry metric tonnes of first shipment of copper concentrate has been shipped to SMM.

The expansion of the mine's Primary Sulfide Project has been ongoing under the project finance provided by the international banks syndicate headed by Japan Bank for International Cooperation, and the new concentrator associated with the expansion entered into the operation in part in November 2006 and in full in December 2006 with the shortest construction time record of such large scale mines. The concentrator continues to work through normal adjustments and full production is expected to be achieved during the first half 2007.

Current copper production at Cerro Verde is approximately 90,000 tonnes per year of copper cathode produced through the SX/EW process. Upon completion of the expansion, copper concentrate containing approximately 180,000 tonnes of copper per year will also be produced and it will allow the mine to triple annual production to approximately 270,000 tonnes of copper per year. The expansion is regarded as the first rank large scale expansion among world copper mines seen to date in this century.

Sumitomo acquired a 21 percent equity interest in Sociedad Minera Cerro Verde S.A.A. in June 2005 and will purchase 50% of Cerro Verde's copper concentrate production during the first ten years of production, with the right to purchase concentrate thereafter in a percentage amount equal to its equity interest.

Sumitomo will make best endeavors toward the smooth ramp up to full production of the sulfide ore expansion at Cerro Verde from now on as well.