

October 26, 2016

Press Release

Sumitomo Metal Mining Co., Ltd.

**Increased Production of Cathode Material (Lithium Nickel Oxide)  
for Rechargeable Batteries**

Sumitomo Metal Mining Co., Ltd. (SMM) has decided to make additional investments to increase the capacity of its production facilities for lithium nickel oxide, a cathode material for rechargeable batteries, in response to the expansion of demand for such batteries in automobiles.

The world automobile market is seeing the spread of environment-friendly next-generation vehicles (e.g., electric vehicles, plug-in hybrid vehicles, and hybrid vehicles) as part of efforts to build the low-carbon society. The diffusion of these vehicles is anticipated to expand in the future as well. In this situation, the further spread of electric vehicles demands the development of models capable of being driven for longer distances without recharging. The development of high-performance rechargeable batteries is indispensable to this end.

SMM has been expanding its production of cathode materials for rechargeable batteries (high-performance lithium nickel oxide) developed jointly with Panasonic Corporation (hereinafter "Panasonic"). At this time, it has decided to newly increase its production facilities for lithium nickel oxide at its Isoura Plant (in Niihama City, Ehime Prefecture) and Harima Refinery (in Harima-cho, Kako-gun, Hyogo Prefecture), along with Panasonic's expansion of its production of lithium ion rechargeable batteries. The corresponding investment will total about 18 billion yen, and the capacity increase is slated for completion in January 2018. As a result of this increase SMM's monthly production capacity for lithium nickel oxide will rise from the current 1,850 tons to 3,550 tons.

In addition to its strength derived from end-to-end handling of nickel, from smelting of the raw material to advanced materials manufacturing, SMM is working for even higher levels of performance in cathode materials, which is essential for an increase in rechargeable battery capacity, as well as the levels of safety and security required for use in automobiles, and construction of a setup for stable manufacturing and supply.

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