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For Reference

May 31, 2013

To our shareholders

Sumitomo Metal Mining Co., Ltd.

**Renewal of Countermeasures to Large-Scale Acquisitions of  
Sumitomo Metal Mining Co., Ltd. Shares (Takeover Defense Measures)**

The effective period of the plan for countermeasures to large-scale acquisitions of the shares in the Company (the “Former Plan”) adopted approval at the ordinary general meeting of shareholders held on June 25, 2010 for the 85th fiscal year expires at the conclusion of this ordinary general meeting of shareholders for the 88th fiscal year (the “Ordinary General Meeting of Shareholders”). The Company determined to partially revise the current takeover defense measures and introduce renewed takeover defense measures subject to approval by the shareholders.

This document has been prepared to briefly explain the renewed takeover defense measures scheduled to be introduced. For further details, please refer to proposal No. 4 in the enclosed Convocation Notice of the 88th Ordinary General Meeting of Shareholders.

We sincerely request that you exercise your voting rights with an understanding of the details of the proposal.

1. Reason for Renewal of Takeover Defense Measures

The Company intends to further expand and strengthen its growth strategy by promoting its new long-term vision-oriented growth strategy based on a realigned business structure as its basic strategy under “the 2012 3-Year Business Plan”. Although the Company will continue to strive to promote the growth strategy regarding the core business and to further enhance the corporate value, it cannot be denied that there may be cases of inappropriate acquisitions of the Company that would harm its corporate value or the common interests of its shareholders, the source of which is its business model, developmental and technical capabilities and resource interests.

The Company determined to renew the takeover defense measures in order to protect the corporate value of the Company and the common interests of its shareholders from inappropriate acquisitions, fully taking into account trends currently in practice.

## 2. Outline of Takeover Defense Measures (Please refer the Flow Chart on p.3)

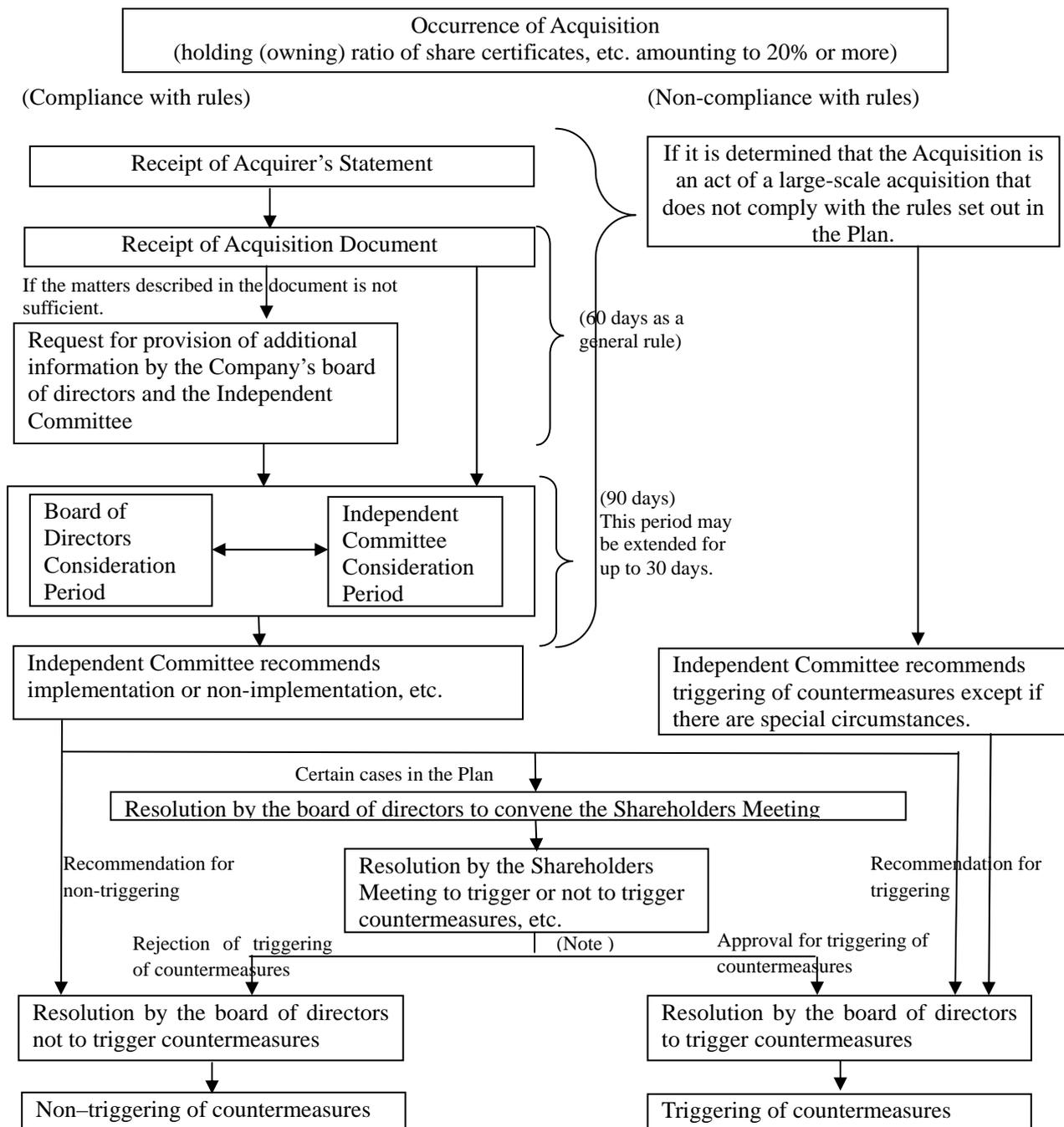
(1) The Company requests acquirers to provide information necessary for the Company to consider the terms of the acquisition in advance in the case where the acquirer intends to make an acquisition of 20% or more of the shares in the Company.

(2) The Board of Directors collects information and considers the company value, and presents its opinion regarding the terms of the acquisition and other information to the Independent Committee. The Independent Committee obtains advice from outside experts as necessary, to consider the terms of the proposed acquisition, compare the management plans and business plans presented by the acquirer and the Board of Directors, then the Independent Committee makes a recommendation to the Board of Directors for the implementation or non-implementation of the takeover defense measures.

(3) In the event that an acquirer does not follow the procedures set out in the takeover defense measures, or it is clear an acquisition may harm the corporate value of the Company or the common interests of its shareholders, and if it is reasonable to implement the takeover defense measures, the Company will allot stock acquisition rights by means of a gratis allotment to all shareholders, except the Company, at that time. The acquirer may not, as a general rule, exercise the stock acquisition rights. If all shareholders other than the acquirer receive shares in the Company as a result of those shareholders exercising or the Company acquiring the allotted stock acquisition rights, the ratio of voting rights in the Company held by the acquirer may be diluted by up to a maximum of 50%.

All shareholders other than the acquirer receive shares in the Company as a result of those shareholders exercising or the Company acquiring the allotted stock acquisition rights, there will be no subsequent dilution of the value per share in the Company they hold.

### 3. Flow Chart of the takeover defense measures



Note : In addition to the cases expressly indicated in this flow chart, if the Independent Committee recommends confirmation of the intent of shareholders regarding the Acquisition by the Acquirer when there is a possibility that the corporate value of the Company and, in turn, the common interests of its shareholders would be harmed by the Acquisition, the Company's board of directors may take measures respecting such recommendation to the maximum extent.

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Note: This document does not constitute a part of the Shareholders' Meeting Reference Documents, but is reference material prepared only to briefly explain the takeover defense measures to be renewed subject to the shareholders' approval of proposal No.4 in the enclosed Convocation Notice of the 88th Ordinary General Meeting of Shareholders.

For accurate and further details, please refer to the Convocation Notice of the 88th Ordinary General Meeting of Shareholders.