

PRESS RELEASE  
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Sumitomo Metal Mining Co., Ltd.

### **Sumitomo Metal Mining to establish new bonding wire company in Shanghai, PRC**

Sumitomo Metal Mining Co., Ltd. (Minato-ku, Tokyo, President: Koichi Fukushima) has decided to establish a new company in Shanghai for the manufacture and sale of bonding wire for semiconductor assembly plants in China, a rapidly growing center for semiconductor assembly.

In China, the number of semiconductor assembly enterprises continues to grow, and in particular, East area centering on the city of Shanghai has become the largest market for bonding wire. With this new company SMM plans to gain a foothold in this area in response to the growing market.

Following its inauguration, the new company will become the fourth SMM business, joining the existing domestic factory (Ohkuchi Electronics Co., Ltd. in Ohkuchi-shi, Kagoshima) and two other overseas establishments (Malaysian Electronics Materials SDN.BHD in Malaysia and Taiwan Sumiko Materials Co., Ltd. in Taiwan). The bonding wire business of the SMM group has set a target of 30% of the world market in FY2006 in the four channels of the domestic/overseas business network, and SMM plans to expand its business horizons further in years to come.

(Overview of the new company)

Company name: Undecided

Site: Several industrial districts in Shanghai are currently being examined

Established in: April 2004 (scheduled)

Production starts in: January 2005 (scheduled)

Capital: US\$ 2.1 million (provisional)

Shareholder: SMM 100%

Planned turnover: US\$10 million (FY2005) US\$36 million (FY2006)

Employees: Approximately 30 (FY2004)

Investment: Approximately US\$3 million (FY2004)

Plans to invest a total of US\$7 million by FY2006.

Inquiry

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