

Production Plans Revised

Sumitomo Metal Mining Co., Ltd. (SMM), in response to reduced demand for nonferrous metals in tandem with deterioration of the real economy, has decided to reduce production during the January-to-March of 2009. As a result, production plans for the second half of the current 2008 fiscal year ending in March have been lowered as shown in the table below.

* Electrolytic copper: The domestic and overseas markets for electrolytic copper for wiring/cable and rolled copper applications have deteriorated rapidly.

* Electrolytic nickel: Demand for electrolytic nickel for use in specialty steels has plunged deeply since November in response to factors including sluggishness in the semiconductor industry, announced auto production cutbacks, and reduced steel production.

* Ferro-nickel: Domestic stainless steel producers continue to reduce their output sharply.

* Zinc: In the face of a significant drop in exports, regular plant repair and maintenance work originally scheduled for April will be carried out within March.

Given the extremely severe outlook for all categories of metal demand since November and December, SMM has determined to change its 2H production targets as shown below in a quest to minimize the impact of production cutbacks on the company's earnings.

1. Revisions to FY2008 Production Targets

	Unit	2H (revised)	2H (original)	Reduction rate (%)
Electrolytic copper	t	201,000	215,000	7

Electrolytic nickel	t	15,000	18,100	17
Ferro-nickel	t	8,300	10,900	24
Zinc	t	35,700	42,500	16
Electrolytic lead	t	13,600	14,700	7
Gold	kg	20,000	22,000	9
Silver	kg	145,000	153,000	5

2. Reference: Production Results

	Unit	1H FY2008	2H FY2007	1H FY2007	
Electrolytic copper	t	165,884	200,670	206,621	Includes toll production
Electrolytic nickel	t	17,734	16,751	14,763	
Ferro-nickel	t	11,157	11,067	10,613	
Zinc	t	43,526	41,417	35,893	Toll production from MS Zinc Co., Ltd.
Electrolytic lead	t	12,742	14,141	13,320	
Gold	kg	18,618	21,085	24,602	
Silver	kg	166,282	157,473	163,725	

Address inquiries concerning this News Release to:

Hiromasu Ohba, Public Relations & Investor Relations Department

Tel: 03-3436-7705