Establishment of an Information and Communication Technology Dept.

Sumitomo Metal Mining Co., Ltd. (SMM) will establish an "Information and Communication Technology Dept." on December 1, 2016 with the responsibility of increasing utilization of ICT such as the IoT, big data, and artificial intelligence throughout the company.

With the spread of the IoT and the increase in utilization of big data analysis and other ICT over recent years, the so-called "fourth industrial revolution," whose aims include increased operating rates and productivity in factories as well as automation and increased product quality, is gradually taking place around the world.

While SMM had already started trials in data collection and analysis at some plants with the aim of improving productivity, thus far the trials were never a unified companywide initiative. In the smelting and refining business as well as the materials business, the utilization of ICT can be expected to bring results such as increased facility operation rates and recovery rates, knowledge transfer, and operational standardization accompanying product base decentralization.

SMM shall establish an Information and Communication Technology Dept. in the Technology Division in order to take forward the companywide utilization of ICT, increase SMM's overall productivity and quality, and enhance our development capabilities.

The Information and Communication Technology Dept. shall bring together the technologies of engineering divisions, systems divisions, business divisions, the Technology Division, and other organizations to rebuild our manufacturing structure with the goal of increasing cost competitiveness and enhancing our development capabilities.

Terminology:

IoT (Internet of Things): Technology whereby everything is connected to the internet, enabling information collection and analysis ICT (Information and Communication Technology): An expanded conception of IT

[Overview of Information and Communication Technology Dept.]

Activities (1) Surveys of technology trends in relevant fields

(2) Proposals for plans to utilize ICT

- (3) Data collection and analysis based on these plans
- (4) Proposals for productivity improvements and effect checking
- (5) Companywide ICT awareness raising

Address inquiries concerning this Press Release to:

Sumitomo Metal Mining Co., Ltd.

Aiko Eguchi, Public Relations & Investor Relations Department

TEL: 03-3436-7705 FAX: 03-3434-2215

Reference: Overview of Reorganization

The Information and Communication Technology Dept. will be established in the Technology Division.

(Organization in place through Nov. 30, 2016) (Organization in place from Dec. 1, 2016)

