

Transfer of Shares of Ring Techs Co., Ltd. to Topy Industries, Limited

As announced in the press release “Commencement of Discussions on the Acquisition of Ring Techs by Topy Industries” dated March 8, 2017, Nippon Steel & Sumitomo Metal Corporation (“NSSMC”) and Topy Industries, Limited (“Topy Industries”) have been discussing the transfer of all of the shares of Ring Techs Co., Ltd. (“Ring Techs”), a wholly owned subsidiary of NSSMC, to Topy Industries. Today, NSSMC and Topy Industries entered into a Share Transfer Agreement.

1. Purpose of This Transaction

Topy Industries operates a wide range of businesses, including the wheel and automotive parts business as well as the iron and steel business and the industrial machinery parts business. Ring Techs was founded in 1952 as a company engaged in the production and sales of steel wheels, and in 1999, it became a wholly owned subsidiary of Sumitomo Metal Industries, Ltd. (currently NSSMC).

In order to respond to significant changes in the business environment surrounding the steel wheel business due to globalization and competition with other products and to continue to meet the various needs of domestic and overseas customers, NSSMC and Topy Industries decided that it would be effective to integrate and utilize the management resources of Topy Industries and Ring Techs. Today, NSSMC and Topy Industries entered into a Share Transfer Agreement whereby all of the shares of Ring Techs currently owned by NSSMC will be transferred to Topy Industries.

2. Schedule (Tentative)

January 15, 2018 : Execution of Share Transfer Agreement
February 15, 2018 : Transfer of shares

3. Overview of the Parties to This Transaction

Company Name	TOPY INDUSTRIES, LIMITED	Ring Techs Co., Ltd.
Description of Business Activities	Iron and steel business, steel/aluminum wheel business, automotive parts business, industrial machinery parts business, etc.	Wheels for automobiles and agricultural/industrial machinery (steel wheel business)
Year of Establishment	1921	1952
Head Office Location	1-2-2, Osaki, Shinagawa-ku, Tokyo	2670, Tsurajimacho Tsurushinden, Kurashiki-shi, Okayama
Representative	Nobuhiko Takamatsu, Representative Director & President	Koichi Tsuruoka, Representative Director & President
Capital	20,983 million yen	500 million yen
Major Shareholders	NSSMC 20%; Topy Fund 4%; Others	NSSMC 100%

4. Future Outlook

The impact of this transaction on NSSMC’s consolidated results will be immaterial.