

## 16 Major Overseas Subsidiaries

### (1) Major overseas subsidiaries (As of April 1st, 2011)

| Company name                             | Location                                 | Sales              | Capital               | Ownership ratio (%) | Capital Date of capital investment | Description of business  |
|--|--|--------------------|-----------------------|---------------------|------------------------------------|--|
| Consolidated subsidiaries                |  |                    |                       |                     |                                    |  |
| SMI Crankshaft LLC                       | St. Fostoria, OH, U.S.A.                 | US\$ 26 million    | US\$ 25,500 thousand  | 60 (60)             | 2008.1                             | Crankshaft machining manufacturer  |
| Western Tube & Conduit Corp.             | Long Beach, CA, U.S.A.                   | US\$ 176 million   | US\$ 17,000 thousand  | 96.7 (1.7)          | 1968.4                             | Production and sales of steel conduit tubes and mechanical tubes                             |
| Seymour Tubing, Inc.                     | Seymour, IN, U.S.A.                      | US\$ 99 million    | US\$ 10,000 thousand  | 80 (80)             | 1989.3                             | Production and sales of cold-drawn tubes for automobiles                                     |
| International Crankshaft Inc.            | Georgetown, KY, U.S.A.                   | US\$ 98 million    | US\$ 22 thousand      | 80 (80)             | 1990.2                             | Production and sales of small-size forged crankshafts  |
| Sumitomo Metal do Brasil Ltda.           | Rio de Janeiro, RJ, Brazil               | —                  | 905 million reais     | 100 (0.0)           | 2010.11                            | sales of seamless pipes manufactured by Vallourec & Sumitomo Tubos do Brasil Ltda.           |
| Thai Steel Pipe Industry Co., Ltd. (TSP) | Don Hua Roh A. Muang, Chonburi, Thailand | 3,187 million baht | 365,800 thousand baht | 55                  | 1963.12                            | Production, processing and sales of mechanical steel pipes, mainly for four-wheeled vehicles |
| Steel Processing (Thailand) CO., Ltd.    | Amphur Pluakdaeng, Rayong, Thailand      | 2,072 million baht | 341,400 thousand baht | 80 (80)             | 1997.2                             | Production and sales of steel wires for cold heading and cold forging                        |
| Thai Sumilox Co., Ltd.                   | Amphur U-Thai, Ayutthaya, Thailand       | 1,693 million baht | 75,000 thousand baht  | 52                  | 1990.4                             | Service center specializing in electromagnetic steel sheet                                   |

| Company name  | Location                             | Sales               | Capital                 | Ownership ratio (%) | Capital Date of capital investment | Description of business  |
|---|--------------------------------------|---------------------|-------------------------|---------------------|------------------------------------|--|
| Huizhou Sumikin Forging Co., Ltd.                                 | Huizhou, Guangdong, China            | 299 million yuan    | 239 million yuan        | 51                  | 2003.8                             | Production and sales of small-size forged crankshafts  |
| Ring Techs Guangzhou Company Limited.                             | Guangzhou, Guangdong, China          | 147 million yuan    | 105 million yuan        | 80 (80)             | 2005.1                             | Production and sales of steel wheels for automobiles   |
| Guangzhou You-Ri Automotive Parts Co., Ltd.                       | Guangzhou, Guangdong, China          | 265 million yuan    | 53 million yuan         | 51 (51)             | 2003.11                            | Production, processing and sales of mechanical steel pipes, mainly for four-wheeled vehicles |
| Sumitomo Metal (SMI) Electronics Devices (M) Sdn. Bhd. (SMMY)     | Penang, Malaysia                     | 103 million ringgit | 54,000 thousand ringgit | 100 (100)           | 1995.8                             | Production of IC ceramics and plastic packages   |
| SMCi Globetronics Technology Sdn. Bhd. (SGT)                      | Penang, Malaysia                     | 27 million ringgit  | 1,600 thousand ringgit  | 51 (51)             | 1994.12                            | Production of IC ceramics packages   |
| Sumitomo Metal Australia Pty,Ltd. (SMA)                           | Sydney, N.S.W. Australia             | A\$ 180 million     | A\$ 14,829 thousand     | 100                 | 1977.3                             | Investment in mining of raw material   |
| <b>Affiliated companies accounted for using the equity method</b> |                                      |                     |                         |                     |                                    |  |
| Pennsylvania Extruded Tube Company                                | Clarks Summit, PA, U.S.A.            | US\$ 64 million     | US\$ 48,385 thousand    | 30 (30)             | 1992.5                             | Production of hot finished seamless stainless steel pipes and tubes                          |
| VAM USA LLC   | Houston, TX, U.S.A.                  | US\$ 157 million    | US\$ 20,000 thousand    | 34 (34)             | 1989.3                             | Threading of oil well pipes and tubes  |
| Vallourec & Sumitomo Tubos do Brasil Ltda.                        | Belo Horizonte, Minas Gerais, Brazil | —                   | 4,700 million reais     | 39.9                | 2007.7                             | Production of high-grade seamless pipe.  |

| Company name  | Location                      | Sales                | Capital                 | Ownership ratio (%) | Capital Date of capital investment | Description of business   |
|---|-------------------------------|----------------------|-------------------------|---------------------|------------------------------------|---|
| Baoji-SMI Petroleum Steel Pipe Co., Ltd.              | Baoji, Shaanxi, China         | 692 million yuan     | 333 million yuan        | 25                  | 2001.3                             | Production and sales of oil well pipes and of line pipes for petroleum, natural gas, etc. |
| VAM (Changzhou) Oil & Gas Premium Equipment Co., Ltd. | Changzhou, Jiangsu, P.R.China | 78 million yuan      | 360 million yuan        | 34 (34)             | 2007.11                            | Threading of oil well pipes and sales   |
| Voith Turbo SMI Technologies, Gmbh & Co, KG           | Heidenheim, Germany           | 0 million euro       | 100 thousand euro       | 49 (49)             | 2008.3                             | Development of the permanent magnetic retarder and sales to Europe etc                    |
| National Pipe Company Limited (NPC)                   | Al-Khobar, Saudi Arabia       | 1,438 million riyals | 200,000 thousand riyals | 33                  | 1978.8                             | Production and sales of large welded pipes for petroleum, natural gas, etc.               |
| SMI-Amtek Crankshaft Pvt. Ltd.                        | Rewari, Haryana, India        | 339 million rupees   | 540 million rupees      | 40                  | 2010.4                             | Production and sales of small-size forged crankshafts                                     |

## (2) Overseas operations (As of July 1st, 2011)

### ① International Crankshaft Inc.

|                               |  |
|-------------------------------|--|
| Brief history:                | 1990 Established.  |
|                               | 1992 Started production.   |
|                               | 1997 Started operation of the second die forging press line.                 |
|                               | 2009 Started operation of the third die forging press line.                  |
| Location:                     | 101 Carley Court, Georgetown, Kentucky 40324, U.S.A.                         |
| Capital:                      | US \$ 22,000   |
| Outlay of initial investment: | February 1990  |
| Shareholding ratio:           | 80%  |
| President:                    | Daniel Condon  |
| Description of business:      | Production and sale of small-size forged crankshafts                         |
| Settlement of accounts:       | End of December  |
| Number of employees:          | 144 (as of December 2010)  |
| Main facilities:              | Two 6,000-ton die forging press line<br>One 7,000-ton die forging press line |

(with a combined annual production capacity of 2.65 million crankshafts)

**② Huizhou Sumikin Forging Co., Ltd.**

Brief history: 2003 Established.  
2004 Started operation.  
2005 ThyssenKrupp Automotive Systems GmbH took equity stake.  
2007 Started operation of the second die forging press line.

Location: Xiangshui River Industrial Park, Daya Bay, Huizhou, China 516083

Capital: 239 million yuan

Outlay of initial investment: August 2003

Shareholding ratio: 51%

President: Yasuo Hida

Description of business: Production and sale of small-size forged crankshafts

Settlement of accounts: End of December

Number of employees: 166 (as of December 2010)

Main facilities: Two 6,000-ton die forging press line (with an annual production capacity of 1.8 million crankshafts)

**③ SMI-Amtek Crankshaft Private Limited**

Establishment: April 2010

Location: Industrial Plot No.20, Phase-1, Urban Estate, Dharuhera, Distt.Rewari, Haryana 122105, India

Capital: 540 million rupees

Outlay of initial investment: April 2010

Shareholding ratio: 40%

President: Ryousuke Nobuyoshi

Description of business: Production and sale of small-size forged crankshafts

Settlement of accounts: End of March

Number of employees: 47 (as of December 2010)

Main facilities: a 4,000-ton die forging press line (with an annual production capacity of 0.8 million crankshafts)

**④ Western Tube & Conduit Corp.**

Brief history: 1964 Established in Oakland, California.  
1968 Sumitomo Metals acquired a 60% stake.  
1975 Moved to the current location.  
1990 Sumitomo Metals increased its stake to 95.05%.  
2002 Started operation of new In-line galvanizing tube line.

Location: 2001 East Dominguez Street, Long Beach, CA 90801-2720 U.S.A.

Capital: US \$ 17 million

Outlay of initial investment: April 1968

Shareholding ratio: 95%

|                          |  |
|--------------------------|--|
| President:               | Ichirou Yasumura   |
| Description of business: | Production and sale of steel conduit tubes and mechanical tubes  |
| Settlement of accounts:  | End of December  |
| Number of employees:     | 246 (as of March 2011)   |
| Main facilities:         | Six *ERW steel tube machines (three of which serving as In-line galvanizing tube lines) with an annual production capacity of 180,000 tons<br>Three steel-tube threading machines<br>Eight steel-tube cutting machines |

\*ERW : Electrical Resistance Welding

### ⑤ Thai Steel Pipe Industry Co., Ltd.

|                               |   |
|-------------------------------|---|
| Brief history:                | 1963 Established. (Sumitomo Metals' first overseas operation)   |
|                               | 1965 Started operation at Phrapradaeng area near Bangkok.<br>Production and sales of steel tubes for engineering works and buildings. |
|                               | 1990 Started operation of a 2-inch ERW mill and expanded to mechanical steel tube business for two and four-wheeled vehicles.         |
|                               | 1994 Started operation of a cold drawing line.  |
|                               | 1996 Started operation of a 2-inch diameter ERW steel tube line at the No. 2 Plant in Bang Pakong.                                    |
|                               | 1997 Demand decrease caused by the Thai Baht Crisis.  |
|                               | 1999 Shifted all production to the No. 2 Plant in Bang Pakong.  |
|                               | 2001 Installed a 1.5-inch diameter ERW steel tube line and replaced cold drawing bench.   |
|                               | 2002 Expanded the diameter of an ERW steel tube line from 2 inches to 3 inches for producing steel pipe for propeller shafts.         |
|                               | 2004 Started operation of steel pipe for high strength propeller shafts.  |
|                               | 2005 Certified for ISO/TS16949.   |
|                               | 2006 Installed the No.4 Cold drawing bench.   |
|                               | 2007 Certified for ISO 14000.   |
| Location:                     | 700/332 Moo 6, Amata Nakorn Industrial Park, Bangna-Trad Rd., Don Hua Roh, A. Muang, Chonburi 20000, Thailand                         |
| Capital:                      | 365.8 million baht  |
| Outlay of initial investment: | July 1964   |
| Shareholding ratio:           | 55%   |
| General manager:              | Toshitaka Hara  |
| Description of business:      | Production and sale of steel pipe for mainly two and four-wheeled vehicles  |
| Settlement of accounts:       | End of December   |

Number of employees: 432 (as of December 2010)  
 Main facilities: Two \*ERW steel tube machines with an annual production capacity of 50,000 tons  
 Three cold drawing benches with an annual production capacity of 12,000 tons  
 Twenty six steel-tube cutting machines  
 \*ERW : Electrical Resistance Welding

#### ⑥ National Pipe Co., Ltd.

Brief history: 1978 Established.  
 1980 Started commercial production.  
 1985 Achieved an annual output of 190,000 tons and received the King Fahd Ideal Factory Award.  
 1994 Achieved a total tube-making output of 1 million tons and opened a new office.  
 1995 Certified for ISO9001.  
 1998 Achieved a total tube-making output of 1.5 million tons.  
 2001 Started the operation of a \*SAW longitudinal seam pipe mill.  
 Achieved a total tube-making output of 3 million tons.

Location: P.O. Box 1099, Al-Khobar 31952, Saudi Arabia  
 Capital: 200 million riyals  
 Outlay of initial investment: August 1978  
 Shareholding ratio: Sumitomo Metals 33%, Sumitomo Corporation 16%  
 President: Hirofumi Yamamoto  
 Description of business: Production and sale of large welded pipes  
 Settlement of accounts: End of December  
 Number of employees: 451 (as of April 2011)  
 Main facilities: Two \*SAW herical seam piping machines (ranging between 20 and 60 inches in outer diameter) with an annual production capacity of 250,000 tons  
 One \*SAW longitudinal seam piping machine (ranging between 24 and 60 inches in outer diameter) with an annual production capacity of 180,000 tons  
 \*SAW : Submerged Arc Welding Method

#### ⑦ Baoji-SMI Petroleum Steel Pipe Co., Ltd.

Establishment: December 2000  
 Location: No. 10 Jiangtan Road, Baoji City, Shaanxi Province, People's Republic of China  
 Capital: 334 million yuan  
 Outlay of initial investment: February 2001  
 Shareholding ratio: Sumitomo Metals 25%, Sumitomo Corporation 12%  
 President: Yasuhiko Arii  
 Description of business: Production and sale of OCTG and line pipes for petroleum, natural gas, etc.

Settlement of accounts: End of December  
 Number of employees: 297 (as of April 2011)  
 Main facilities: One \*ERW steel tube machine with an annual production capacity of 200,000 tons  
 One OCTG finishing line with an annual production capacity of 100,000 tons  
 \*ERW : Electrical Resistance Welding

**⑧ Vallourec & Sumitomo Tubos do Brasil Ltda.**

(Under construction)  
 Establishment: July 2007  
 Scheduled startup: By the end of 2010  
 Location: 65 Avenida Olinto Meireles Usina, lote 12  
 Bairro de Baixo District CEP 30640-010  
 Belo Horizonte Minas Gerais Brazil  
 Shareholding ratio: Sumitomo Metals 39%, Sumitomo Corporation 5%.  
 President: Tancredo Martins Neto  
 Description of business: Integrated steelmaker to manufacture high-grade seamless pipes  
 Number of employees: 1,373 (as of March 2011)  
 Main facilities: Integrated steel works including  
 -Upstream facilities such as blast furnaces and steel making plants  
 -Seamless pipe mill (product size range:168.3-406.4mm)  
 -Finishing facilities  
 Capacity: -600,000 tons/year of seamless pipe  
 (Vallourec and Sumitomo Metals to sell 300,000 tons each)  
 -One million tons/year of crude steel  
 (700,000 tons of crude steel to be used internally, and the rest to be purchased by Vallourec)  
 Investment: 4,700 million reais

**⑨ Thai Sumilox Co., Ltd.**

Brief history: 1990 Established.  
 1991 Started operation.  
 2001 Started operation of a new faculty  
 2008 Started operation of a 300-ton stamp line (No.4 line).  
 Location: 1/79 Rojana Industrial Park, Rojana Road, Thambon Khanham, Amphur U-Thai, Ayutthaya 13210, Thailand  
 Capital: 75 million bahts  
 Outlay of initial investment: April 1990  
 Shareholding ratio: 52%  
 Representative: Shinichi Takaya  
 Settlement of accounts: End of December  
 Number of employees: 129 (as of December 2009)  
 Description of business: electromagnetic steel processing and sales

Main facilities: Two slitting machines and Six stamping machines (with an annual machining ability of 72,000 tons)

**⑩ China Steel Sumikin Vietnam Joint Stock Company**

Establishment: May 2009  
 Scheduled startup: 2012  
 Location: My Xuan A2 Industrial Zone, Tan Thanh Dist., Ba Ria-Ving Tau Province, Vietnam  
 Share holding ratio: Sumitomo Metals 30%, Sumitomo Corporation 5%, Sumikin Bussat Corporation 5%  
 General Director: Wong, Chao-Tung  
 Description of business: Production and sale pickling steel sheer, cold rolled sheet, electrical sheet and hot-dip galvanized coil  
 Main facilities: Heavy-gauge shearing line, pickling line, tandem cold rolling mill, continuous galvanizing line, annealing and coating line, and auxiliary lines  
 Capacity: 1.6million MT per year  
 Total investment: 115 billion yen

**(3) Location of major overseas subsidiaries**

