

August 24, 2007

Entry into Sale of Special Alloys for Aircraft in the United States

To commence sales of special alloy materials for the expanding aviation industry market in the United States, Sumikin Bussan International Corp. (SBIC), a wholly-owned U.S. subsidiary of Sumikin Bussan Corporation, has decided to acquire Aerospace Metals and Specialty Alloys, Inc. (AMSA) of the United States, concluding a contract on August 23 (local time) to take over AMSA's business rights and assets.

Based in Anaheim, California, and engaged in the processing and sale of special alloy materials, AMSA possesses a wealth of expertise concerning selection of optimal suppliers, processing and quality control in the aircraft industry—a key industry in the United States.

With this acquisition, SBIC will open a California branch office (AMSA division) in September 2007, cultivating a division with high specialization and processing capabilities specific to the aviation sector. The acquisition price was approximately \$500,000 (approximately ¥60 million).

The AMSA division targets net sales of \$2.5 million (approximately ¥300 million) in FY2008 (January through December) and \$3.5 million (approximately ¥420 million) in FY2009. To build a more global business structure, the division will work more closely with the Sumikin Bussan Paris Office, which was opened in April 2007 with the aim of expanding into sales of aircraft components and special alloys for medical use.

Company Profiles

1) Sumikin Bussan International Corp.

Company Name: Sumikin Bussan International Corp.
Corporate Headquarters: Schaumburg, Illinois, USA
Date of Establishment: August 1990
Representative: Koichi Kawasaki, President
Paid-in Capital: \$3 million
Business Content: Import, export and sale of products
Employees: 18
Net Sales: \$49.36 million (fiscal period ended December 31, 2006)

2) AMSA

Company Name: Aerospace Metals and Specialty Alloys, Inc.
Corporate Headquarters: Anaheim, California, USA
Paid-in Capital: \$50,000
Date of Establishment: June 2003
Net Sales: \$1.27 million (fiscal period ended December 31, 2006)